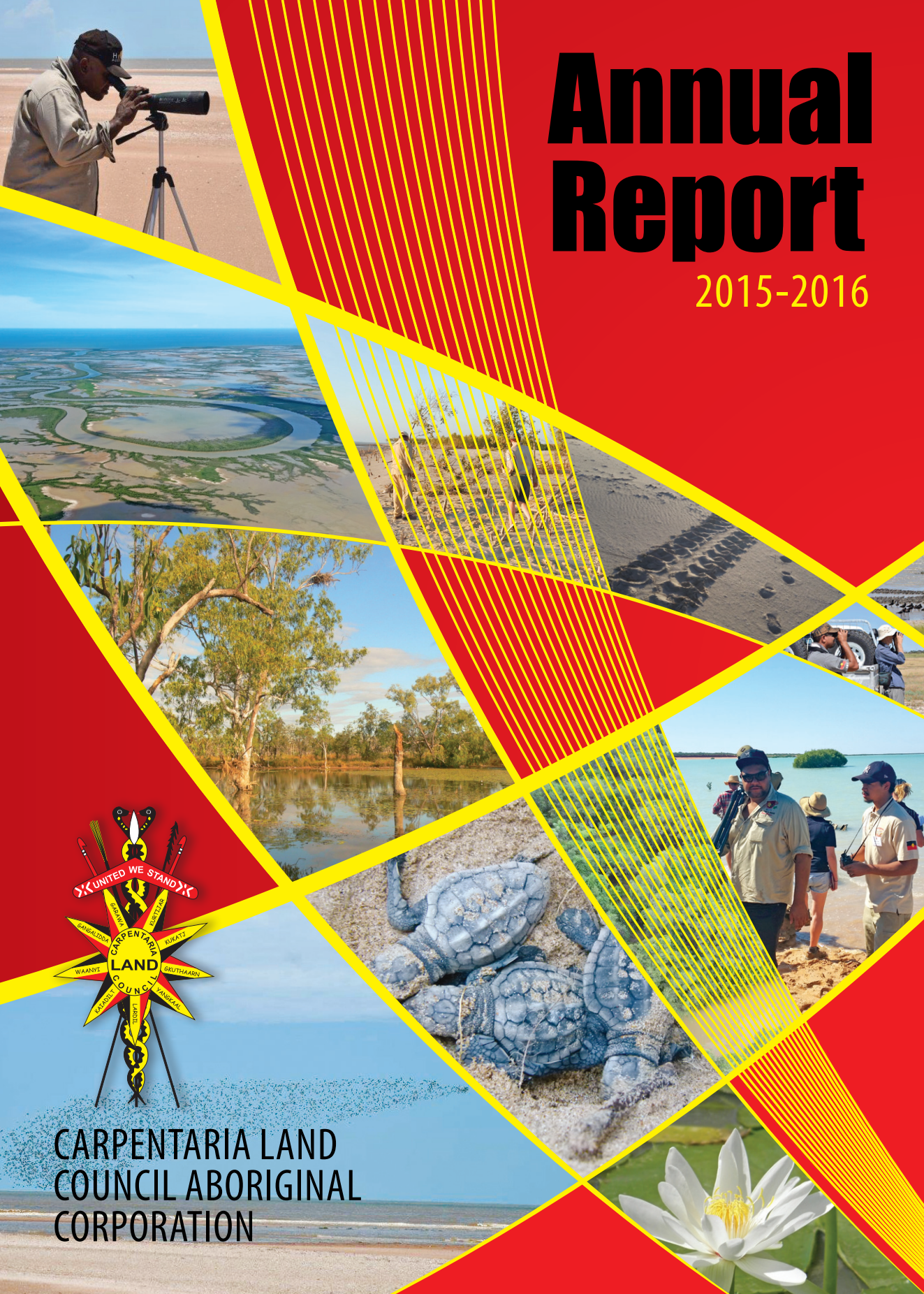


Annual Report

2015-2016



CARPENTARIA LAND
COUNCIL ABORIGINAL
CORPORATION

*Carpentaria
Land Council
Aboriginal
Corporation*

ABN 99 121 997 933 - ICN 268

**ANNUAL
REPORT
2015 – 2016**

Carpentaria Land Council Aboriginal Corporation

ABN 99 121 997 933 - ICN 268

17 October 2016

Senator the Hon. Nigel Scullion
Minister for Indigenous Affairs
PO Box 6100
Parliament House
CANBERRA ACT 2600

Dear Minister

ANNUAL REPORT 2015-2016

I am pleased to present the Carpentaria Land Council Aboriginal Corporation's Annual Report for the period 1 July 2015 to 30 June 2016.

The Annual Report includes the Corporation's Report of Operations and Audited Consolidated Financial Statements for the 2015-2016 Reporting Period.

Yours sincerely



THOMAS WILSON
CHAIRPERSON

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GLOSSARY OF TERMS

| | |
|--------|--|
| ABC | Australian Broadcasting Commission |
| ABF | Australian Border Force |
| AGM | Annual General Meeting |
| CATSI | <i>Corporations (Aboriginal and Torres Strait Islander) Act 2006 (Cth)</i> |
| CEO | Chief Executive Officer |
| CLCAC | Carpentaria Land Council Aboriginal Corporation |
| DAF | Department of Agriculture and Fisheries |
| EHP | Department of Environment and Heritage Protection |
| GGNTAC | Gangalidda and Garawa Native Title Aboriginal Corporation |
| GRAC | Gulf Region Aboriginal Corporation |
| GST | Goods and Services Tax |
| ILC | Indigenous Land Corporation |
| ILUA | Indigenous Land Use Agreement |
| IPA | Indigenous Protected Area |
| NAQS | Northern Australia Quarantine Strategy |
| NNTT | National Native Title Tribunal |
| NPSR | Department of National Parks, Sport and Racing |
| NTA | <i>Native Title Act 1993 (Cth)</i> |
| NTRB | Native Title Representative Body |
| NTSP | Native Title Service Provider |
| ORIC | Office of the Registrar of Indigenous Corporations |
| PMC | Department of Prime Minister and Cabinet (Indigenous Affairs) |
| PBC | Prescribed Body Corporate |
| RNTBC | Regional Native Title Body Corporate |
| SGC | Southern Gulf Catchments |
| SGM | Special General Meeting |
| WNTAC | Waanyi Native Title Aboriginal Corporation |
| WoC | Working on Country |
| WoNS | Weeds of National Significance |

CONTACT INFORMATION

Copies of our Annual Report are available on our website at:
<http://www.clcac.com.au>

For further information regarding the
Carpentaria Land Council Aboriginal Corporation
please contact:

GENERAL ENQUIRIES

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MEMBER ENQUIRIES

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Chairperson's Report

FOR THE YEAR ENDED 30 JUNE 2016

The Directors present this Report together with the CLCAC's Financial Report for the Financial Year ended 30 June 2016 and the Auditor's Report there on.

FINANCIAL REVIEW

The net loss from ordinary activities after income tax for the year amounted to \$28,539 (2015: loss of \$41,833).

PRINCIPAL ACTIVITIES

The principal activities of CLCAC during the course of the Financial Year related to assisting traditional owners and communities with the conduct of various Land and Sea Management activities and in carrying out its functions and responsibilities as a Native Title Service Provider (NTSP) in accordance with the provisions set out in Part 11 Division 3 of the NTA.

There were no significant changes in the nature of the activities conducted by CLCAC in this Reporting Period.

EVENTS SUBSEQUENT TO REPORTING DATE

There are no significant events to Report.

LIKELY DEVELOPMENTS

The Directors envisage that CLCAC will continue its existing operations, subject to the receipt of ongoing funding from Government and other sources. The Director's expect that during the next three years, the principal activities of the Corporation will increasingly be directed toward the work of its Business and Economic Development Unit and in particular supporting Native Title Prescribed Body Corporates (PBC's).

ENVIRONMENTAL REGULATION

Save as provided for in specific Land and Sea Management Funding Contracts, CLCAC's operations are not subject to any particular or significant environmental regulations under either Commonwealth or State Legislation. CLCAC has adequate systems in place for the management of its contractual requirements and is not aware of any breach in that regard.

DISTRIBUTIONS

CLCAC's Constitution precludes it from distributing any surplus to Members. Accordingly, no distributions were paid, recommended or declared by the Corporation during the year.

CHAIRPERSON'S REPORT

LEAD AUDITOR'S INDEPENDENCE DECLARATION

At no time during the Financial Year ended 30 June 2016 was an Officer of CLCAC the Auditor, a Partner in the Audit Firm, or a Director of the Audit Company that undertook the audit of CLCAC for the 2015-2016 Financial Year.

The Lead Auditor's independence declaration is set out in the Audited Financial Statements and forms part of this Directors' Report for the Financial Year ended 30 June 2016.

PROCEEDINGS ON BEHALF OF THE CORPORATION

During the 2015-2016 year, no person has made an Application for Leave in respect of CLCAC pursuant to section 169-5 of the CATSI Act.

During the 2015-2016 year, no person has brought or intervened in proceedings on behalf of CLCAC with leave under section 169-5 of the *Corporations (Aboriginal and Torres Strait Islander) Act 2006*.

This Report is made by resolution of the Members dated 13 October 2016.



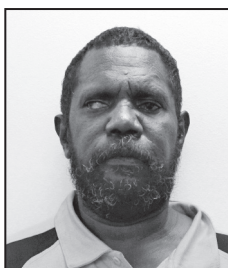
THOMAS WILSON
CHAIRPERSON

CLCAC Board of Directors at 30 June 2016



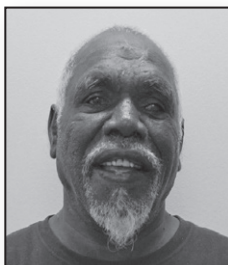
Mr Thomas Wilson – Director & Chairperson: Lardil

Mr Thomas Wilson is the Chairperson of CLCAC and resides on Gununa, Mornington Island. Mr Wilson is a member of the Lardil Traditional Owner group. He enjoys fishing and hunting and spending quality time with his young family. Mr Wilson has been Chairperson of CLCAC for 8 years and is our longest serving Chair. Mr Wilson is also the Chairperson of Gulf Region Aboriginal Corporation.



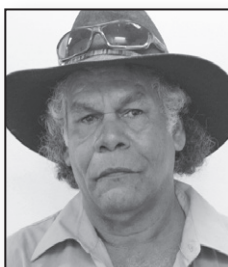
Mr Lawrence Burke – Director: Yangkaal

Mr Lawrence Burke is a Director of CLCAC and resides on Gununa, Mornington Island. Mr Burke is a member of the Yangkaal Traditional Owner group and a Yangkaal Director of the Gulf Region Aboriginal Corporation (GRAC). Mr Burke works for the Mornington Island Night Patrol and in his spare time he likes to attend local rodeos in Doomadgee and Burketown. He is also a lead dancer with Mornington Island dancers and works at the art and craft centre.



Mr Gerald Loogatha – Director: Kaiadilt

Mr Gerald Loogatha is a Director of CLCAC and resides on Gununa, Mornington Island. Mr Loogatha is a member of the Kaiadilt Traditional Owner group. Mr Loogatha is also a Director of the Gulf Region Aboriginal Corporation (GRAC). He is an experienced furniture maker and enjoys fishing, hunting and spending time with family.



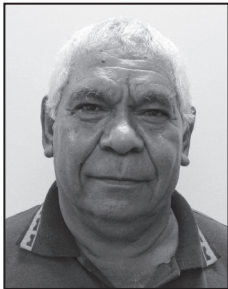
Mr Joseph Rainbow – Director: Kurtijar

Mr Joseph Rainbow is a Director of CLCAC and resides in Normanton. Mr Rainbow is a member of the Kurtijar Traditional Owner group and undertakes a Cultural Heritage Management advisory role for the Kurtijar Peoples.



Ms Marlene Logan – Director: Gkuthaarn

Ms Marlene Logan is a Director of CLCAC and a member of the Gkuthaarn Traditional Owner group. Ms Logan is also a Director of the Gkuthaarn Aboriginal Corporation and Coordinator of the local Justice Association. Ms Logan undertakes a Cultural Heritage Management advisory role for the Gkuthaarn Peoples and resides in Normanton with her family. Ms Logan enjoys fishing, cooking and camping.



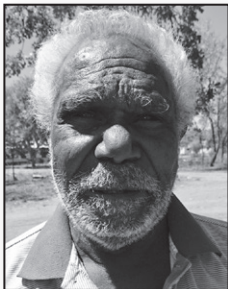
Mr Phillip George – Director: Kukatj

Mr Phillip George is a Director of CLCAC and a member of the Kukatj Traditional Owner group. Mr George resides in Normanton with his family and is employed by CLCAC as a Head Ranger through the Queensland Indigenous Land and Sea Ranger Program.



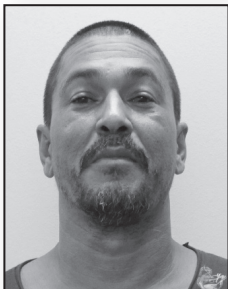
Mr Donald Bob – Director: Garawa

Mr Donald Bob is a CLCAC Director and a Senior Garawa man who resides in Burketown. Mr Bob is employed by CLCAC as a Gangalidda and Garawa Ranger in our Land and Sea Unit. Mr Bob enjoys fishing, hunting, spending time with his family and working with the Gangalidda and Garawa Rangers.



Mr Henry Aplin – Director: Waanyi

Mr Henry Aplin is a Director of CLCAC, a member of the Waanyi Native Title group and a Director of Waanyi Native Title Aboriginal Corporation. Mr Aplin resides in Doomadgee.



Mr Murradoo Yanner – Director: Gangalidda

Mr Murradoo Yanner is Director of CLCAC and has played an integral role in the development and success of CLCAC. Mr Yanner previously held the position of CEO of CLCAC from 1992-2001, and ATSIC Commissioner from 2001-2002. Mr Yanner is the Chairperson of the Gangalidda and Garawa Native Title Aboriginal Corporation (GGNTAC) and a Director of the Gulf Region Aboriginal Corporation (GRAC) and is a driving force behind the development of sustainable economic opportunities for indigenous people in the Gulf.

CLCAC Alternate Directors at 30 June 2016

Mr Wayne Williams – Alternate Director: Lardil

Mr Wayne Williams is an Alternate Director of CLCAC and resides on Gununa, Mornington Island. Mr Williams is a member of the Lardil Traditional Owner group and the Gulf Region Aboriginal Corporation (GRAC). Mr Williams enjoys fishing and hunting, painting and spending quality time with his family.

Mr Chicko Toby – Alternate Director: Yangkaal

Mr Chicko Toby is an Alternate Director of CLCAC and resides on Gununa, Mornington Island. Mr Toby is a member of the Yangkaal Traditional Owner group who is heavily involved with keeping traditional dancing alive and passing on traditional knowledge to the younger generations. Mr Toby is also a Director of the Gulf Region Aboriginal Corporation.

Mr Duncan Kelly – Alternate Director: Kaiadilt

Mr Duncan Kelly is an Alternate Director of CLCAC and resides on Gununa, Mornington Island. Mr Duncan is a member of the Kaiadilt Traditional Owner group.

Mr Lance Rapson – Alternate Director: Kurtijar

Mr Lance Rapson is an Alternate Director of CLCAC and resides in Normanton. Mr Rapson is a member of the Kurtijar Traditional Owner group. Mr Rapson is employed by CLCAC as Ranger of the Normanton Rangers and has been integral to the many achievements and successes of CLCAC's Land and Sea program.

Mr Paul Richardson – Alternate Director: Gkuthaarn

Mr Paul Richardson is an Alternate Director of CLCAC. Mr Richardson is a member of the Gkuthaarn Traditional Owner group and resides in Normanton. Mr Richardson is employed by CLCAC as Senior Head Ranger of the Normanton Rangers and has been integral to the many achievements and successes of CLCAC's Land and Sea program.

Mr Reggie Sambo – Alternate Director: Kukatj

Mr Reggie Sambo is an Alternate Director of CLCAC and is a member of the Kukatj Traditional Owner group. Mr Sambo is a member of the Kukatj Traditional Owner group and resides in Normanton.

Mr Keith Rory –Alternate Director: Garawa

Mr Keith Rory is an Alternate Director of CLCAC and is a member of the Garawa Traditional Owner group. Mr Rory resides in Robinson River.

Mr Peter Cameron – Alternate Director: Waanyi

Mr Peter Cameron is an Alternate Director of CLCAC Board and is a members of the Waanyi Traditional Owner group. Mr Cameron resides in Normanton.

Mr Terrence Taylor – Alternate Director: Gangalidda

Mr Terrence Taylor is an Alternate Director of CLCAC. Mr Taylor is employed by CLCAC as Senior Head Ranger of the Gangalidda and Garawa Rangers and has been integral to the many achievements and successes of CLCAC's Land and Sea program. Mr Taylor is also a Director of the Gangalidda and Garawa Native Title Aboriginal Corporation (GGNTAC) and a Director of the Gulf Region Aboriginal Corporation (GRAC).

Chief Executive Officer's Report

2015-2016 has been exciting, but also a year of change for CLCAC, particularly for our Land and Sea Program. I would like to start by expressing my gratitude to the Chairperson and Directors, our staff, members and the Native Title Claimants and Holders, and thank them for their commitment and successes in assisting CLCAC make real progress towards our goals.

CLCAC has an excellent track record of achieving quality outcomes and we are constantly striving to adapt and respond to new challenges. In February 2014 the CLCAC Board of Directors approved a five year strategic plan. The plan outlines what we will do over the next five years including our vision, values, goals and key strategic actions. For copies of our strategic plan and other key publications please refer to our website. CLCAC is continuing to provide services and programs that will assist in achieving the plan's vision and goals.

The Corporation can be proud of its many positive achievements since its inception and growth from its humble beginnings in Burketown in 1984. This includes recognition as a Native Title Representative Body in 1996, seven positive determinations of native title from 2004 through to 2015 and the subsequent establishment and registration of three PBC's, the establishment of the Cairns Office in 2005, the introduction of our successful Land and Sea Management Unit in 2007 and the establishment of the Business and Economic Development unit in 2011. CLCAC currently employs thirty (30) permanent staff and six (6) casual staff. Our team continually strives to identify new funding sources and opportunities so we can continue to provide services and programs that are needed by our constituents.

It is with pleasure that I provide my third CEO Report for the 2015-2016 financial year and highlight a number of important and significant operational achievements and outcomes.

Native Title

CLCAC has continued to assist native title claimants and PBCs to progress their native title determination applications and ancillary matters. We have provided advice in relation to future acts and in relation to the negotiation and implementation of a number of exploration agreements which aim to provide for the protection of cultural heritage. CLCAC provides facilitation and assistance to the three PBCs in our region: Waanyi Native Title Aboriginal Corporation (WNTAC), Gulf Region Aboriginal Corporation (GRAC) and Gangalidda & Garawa Native Title Aboriginal Corporation (GGNTAC).

CHIEF EXECUTIVE OFFICER'S REPORT

Native title claim work has been focussed in the Normanton region with the continuation of anthropological research for the Gkuthaarn & Kukatj Peoples and the Native Title Registrar accepting the Kurtijar claim (Kurtijar People QUD483/2015, QC2015/006) for registration under section 190A of the *Native Title Act 1993* (Cth). This decision was made on 15 April 2016. We also assisted the Gangalidda and Garawa People with the registration of seven ILUAs.

Land and Sea Management

Our Rangers now manage over 510,000 square kilometres of land. Early season fire work is carried out to protect country and local pastoral stations from late season bush fires and to reduce carbon emissions. During this reporting period the Rangers undertook extensive weed control work in the Burketown and Normanton areas. The CLCAC also continues to apply and develop the Gulf Savannah Fire Management Guidelines, a hugely valuable educational, planning and practical resource for all land managers in the region. Two CLCAC Rangers attended the 2016 International Fire Managers' Conference in Melbourne and we were the only Indigenous land and sea unit represented and the only rangers to present.

This year the Rangers have successfully completed training for a wide variety of skills, including; fire management, chemical control of weeds, operating chainsaws, bird and animal biodiversity surveys (this year with an emphasis on remote crocodile management and migratory shorebird monitoring), first aid, feral animal control using aerial platform shooting and marine turtle monitoring.

The Normanton Land and Sea Rangers have received funding through the Queensland Department of National Parks, Sport and Racing as part of the Nest to Ocean Turtle Protection Program. In January 2015 the Normanton Land and Sea Rangers commenced their first dedicated year round turtle monitoring program, which continued again in 2016.

Our newsletters were distributed again this year, along with regular Facebook posts, showcasing the activities undertaken by the Rangers to protect and manage the natural and cultural resources of the southern Gulf of Carpentaria.

Economic Development

Our Business and Economic Support Unit has been kept busy working on specific projects, as well as making various funding applications to support future proposals. Implementation of our Tourism Destination and Product Development Plan has continued, with tourism products and a camping permit system developed for the Gangalidda & Garawa People. A new strategic PBC support strategy is currently being developed.

I now look forward both to the challenges of the coming year and to assisting with the long term challenges that native title holders are encountering in the post determination environment.

Charles Hammond
CHIEF EXECUTIVE OFFICER

NTRB Overview

Background

Carpentaria Land Council Aboriginal Corporation (CLCAC) was first established in 1982 as a community based organisation to represent, protect and secure the rights and interests of Aboriginal people in the Gulf of Carpentaria. Following the holding of a large meeting in Doomadgee, CLCAC was incorporated under the Aboriginal Councils and Associations Act on 27 April 1984.

On 30 June 1994, CLCAC was recognised under the Native Title Act 1993 as the representative Aboriginal/Torres Strait Islander body for the Gulf Region. This region includes land and waters from the Northern Territory border to east of Normanton, and the islands and seas of the lower Gulf of Carpentaria.

Today, CLCAC is the largest and most eminent corporate entity representing the rights and interests of Traditional Owners in the southern Gulf of Carpentaria. The Corporation represents the rights and interests of Traditional Owners in the southern Gulf of Carpentaria, with its membership drawn from the following nine Aboriginal language groups whose traditional lands and waters are located in the Gulf:

- *Kurtjar*
- *Gkuthaarn*
- *Kukatj*
- *Gangalidda*
- *Kaiadilt*
- *Lardil*
- *Yangkaal*
- *Waanyi*
- *Garawa*

Since first being recognised as a NTRB, CLCAC has achieved a number of important and positive outcomes to provide for the protection and recognition of the native title rights and interests of Aboriginal traditional landowners in northwest Queensland.

What we do

In performing the role and functions of a native title representative body, we assist Traditional Owner groups in the Southern Gulf Region to pursue native title rights over their traditional lands and waters. This has resulted in successful determinations for six of the nine language groups in our region: the Waanyi, Gangalidda, Garawa, Lardil, Yangkaal and Kaiadilt Peoples.

NTRB OVERVIEW

Much of the remaining land in the Gulf is subject to native title claims lodged with the assistance of CLCAC, with claims for the three remaining language groups, the Gkuthaarn & Kukatj Peoples and the Kurtijar People now underway. Further up-dates and progress on current claims can be found in our newsletters and on our Facebook site.

CLCAC employs various consultative mechanisms to ensure that its members and the people that it serves have input into its decision making and prioritisation. The primary means of consultation is by way of Applicant, claim group and prescribed body corporate meetings, held regularly to advise native title claimants and native title holders about recent court decisions, the legal context for native title, and to discuss matters relevant to the progress of their native title applications and ancillary matters.

Native Title

CLCAC assisted the Waanyi People to pursue a claim for native title over their traditional land and waters. The claim was filed in 1999 and culminated in a final positive determination on 9 December 2010 (*Aplin on behalf of the Waanyi Peoples v State of Queensland (No 3)* [2010] FCA 1515). The determination covers 1,730,081 hectares in the Southern Gulf of Carpentaria, making it the largest single determination in Queensland's history.

We assisted the Gangalidda and Garawa Peoples to obtain positive determinations of native title over their two claims. By consent, two determinations were made on 23 June 2010 (QC04/05 and QC95/03; *Gangalidda and Garawa People v State of Queensland* [2010] FCA 646) recognising native title rights over 5,810 square kilometers of land and waters, including exclusive native title rights over an Aboriginal Land Trust area and Aboriginal owned pastoral leases. Two Indigenous Land Use Agreements have been registered in respect to access to pastoral leases within the determination area. On 1 April 2015, two further Gangalidda and Garawa determinations were made recognising native title over the remainder of the traditional land and waters of the Gangalidda and Garawa Peoples: *Taylor on behalf of the Gangalidda and Garawa Peoples #1 v State of Queensland* [2015] FCA 731, and *Taylor on behalf of the Gangalidda and Garawa Peoples #2 v State of Queensland* [2015] FCA 730].

CLCAC assisted the Lardil, Yangkaal, Kaiadilt and Gangalidda Peoples to obtain a positive determination of native title in *Lardil Peoples v State of Queensland* [2004] FCA 298. The determination recognises non-exclusive rights to land and waters, such as rights of access for the purposes allowed under traditional laws and customs and the right to fish, hunt and gather living and plant resources. CLCAC then assisted these four language groups to lodge and pursue a second native title claim over the Wellesley Islands. This claim led to a consent determination on 9 December 2008: *Lardil, Yangkaal, Gangalidda and Kaiadilt Peoples v State of Queensland* [2008] FCA 1855. The determination recognises exclusive possession over the Wellesley Islands and covers 127,400 hectares, including outstations, subleases and freehold under the *Aboriginal Land Act 1991* (Qld).

Collectively, these five native title determinations represent the expression of a deliberate native title claim strategy initiated by CLCAC in 1996. They represent a significant victory for the traditional owners of the Gulf and serve as a testament to the strength and perseverance of

these groups in fighting for the recognition of their native title rights. Much of the remaining land in the Gulf is subject to native title claims lodged with the assistance of CLCAC. We are currently assisting the Gangalidda and Garawa Peoples and the Waanyi People to pursue the remainder of their claims and assisting the Gkuthaarn, Kukatj and Kurtijar Peoples with native title claims in the Normanton/Karumba area.

CLCAC has also helped establish three prescribed bodies corporate to hold and manage native title rights and interests on behalf of the Lardil, Yangkaal, Kaiadilt, Gangalidda and Waanyi native title holders:

- Gangalidda and Garawa Native Title Aboriginal Corporation (GGNTAC) ICN 7365;
- Gulf Region Aboriginal Corporation RNTBC (GRAC) ICN 7139;
- Waanyi Native Title Aboriginal Corporation (WNTAC) ICN 7448.

Moving forward CLCAC is focusing on assisting these PBC's to become financially independent and self-sufficient and to generate economic and social benefits from native rights and interests.

Economic Development

Approximately 62% of the population in the southern Gulf is Indigenous (2006 ABS) indicating a majority Indigenous community. Exclusive native title determinations, together with high levels of Indigenous owned land means Indigenous communities now have access to capital, land and resources. However Indigenous unemployment remains high, while participation in business and the economy is low.

The Southern Gulf Region's economic base is dominated by beef cattle, mining, fishing and tourism with a range of services located in the townships. With the pending shut down of the MMG Century Zinc mine, one of the largest employers in the region, there is a need to diversify the economic base with new thinking and strategies that generate new employment and business opportunities.

CLCAC is responding to this challenge through the initiatives and strategies being developed and implemented by its Jobs and Economy Strategy Unit.

This Unit has a number of key priorities:

- Identifying and facilitating delivery of key business and economic development projects and initiatives;
- Providing business, commercial and strategic planning support to Prescribed Body Corporates (PBC's); and
- Advocating on behalf of Traditional Owners and communities of the Southern Gulf for projects and initiatives that develop the region's economy sustainably.

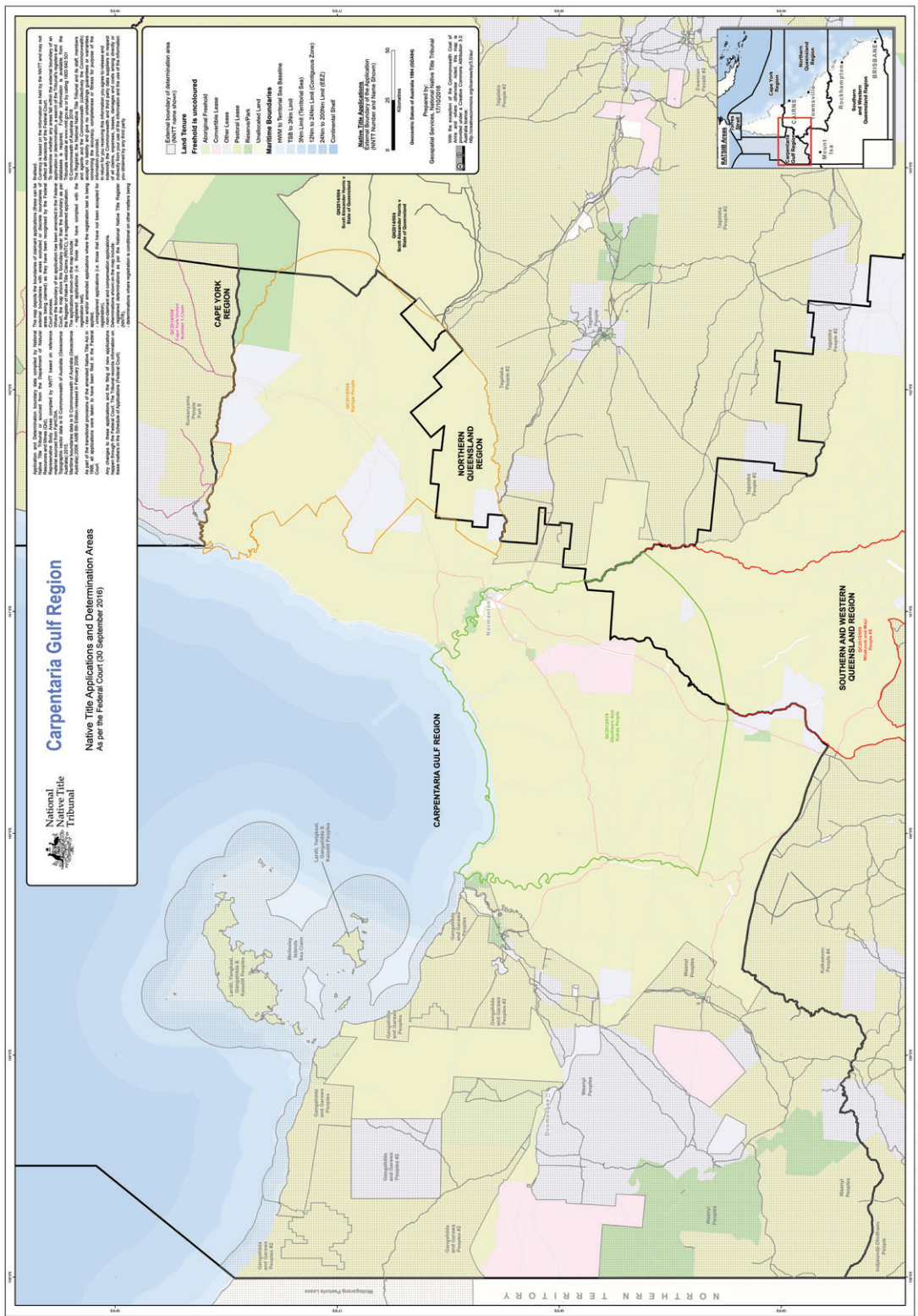


Figure 1: NNTT Case Determination Areas in the Carpentaria Gulf Region

Map reproduced with the kind permission of the National Native Title Tribunal.

An assessment of the four key sectors of Resources, Land Management, Tourism and Service Delivery has been completed by CLCAC to identify and prioritise potential economic development opportunities, as well as to better understand the barriers to investment. CLCAC is working with partners, stakeholders and the community to deliver the recommendations of this report for the benefit of Gulf communities.

On 13 March 2013, CLCAC convened the first Indigenous Economic Development Summit in the region. The Summit brought together Traditional Owners, key industry and business leaders and government officials to discuss the issue of Indigenous economic development in the southern Gulf of Carpentaria. Key topics discussed at the Summit included tourism and small business opportunities. The 'Indigenous Economic and Business Development Opportunities in the Gulf of Carpentaria Region Report' was also formally launched at the Summit. The report is a rapid assessment of the Gulf's economic profile and identifies realistic opportunities for growing mainstream business activity in a measured way. The Summit and report is a first for the Gulf and will be the catalyst for driving economic and business development opportunities for Traditional Owners and Indigenous groups into the future. The report identifies the challenges and opportunities people face in the Gulf in developing business opportunities and also maps out a way forward.

The Commonwealth Government's Indigenous Advancement Strategy Jobs, Land and Economy Program priorities are:

- Getting Indigenous Australians into work;
- Fostering Indigenous business; and
- Ensuring Indigenous people receive economic and social benefits from the effective management of their land and native title rights.

These priorities align almost directly with CLCAC's. CLCAC supports good policy and planning and will advocate for change where it is ineffective. CLCAC's Jobs and Economic Strategy Unit provides strategic and commercial planning support for PBC's to ensure they are viable and sustainable in the long term. Advice and support is also available to assist in establishing commercial enterprises in certain circumstances.

The following support services are provided by CLCAC:

- Corporation business and governance planning;
- Corporation restructuring;
- Building capacity and mentoring;
- Identifying and pursuing business and economic development opportunities including regional coordination;
- Assistance with funding applications for specific projects; and
- Coordination of cultural heritage and native title matters.

Land and Sea Management

In 2007, CLCAC formally established a Land and Sea Management Unit as an extension of its role as a native title service body. This Unit undertakes land and sea management activities that enhance the protection and management of natural resources in the southern Gulf of Carpentaria area for the long-term benefit of Traditional Owners groups and communities.

Activities conducted by CLCAC, with funding from a range of funding sources, have included turtle and dugong management, biodiversity surveys, feral animal and weed control, wetland rehabilitation, fire management, and protection and management of cultural sites. Strategies used to undertake this work include:

- Employing Traditional Owner Rangers to undertake culturally appropriate environmental management and conservation projects;
- Preserving Traditional Knowledge and using Traditional Knowledge and Science together to increase understanding of the natural values of the region and to contribute to effective natural resource management;
- Developing partnerships that contribute to improved land and sea management; and
- Undertaking community and visitor education about cultural and natural values.

At the 30th of June, 2016 CLCAC engaged twenty-nine (29) staff funded through its Land and Sea Management programs, including five (5) casual Indigenous Fire and Weed Rangers and eighteen (18) full-time Indigenous Rangers over three Ranger Units in Normanton, Gregory Downs and Burketown. The Rangers are supported by 6 professional and administrative staff, including a Regional Land and Sea Coordinator, and Project Officers and Planning Officers located in Burketown, Normanton and Cairns.

Role and Functions

The Rules of the CLCAC

CLCAC is an incorporated association registered under the CATSI Act. The key objectives of the Corporation are the relief of poverty, sickness, destitution, serious economic disadvantage, distress, dispossession, suffering and misfortune amongst Aboriginal peoples. CLCAC's objectives also include:

1. Promoting opportunities for Aboriginal people to return to and settle on their traditional homelands;
2. Obtaining security of tenure over traditional Aboriginal land in the southern Gulf;
3. Promoting and preserving Aboriginal culture and language;
4. Providing basic community services to members of the Association to alleviate poverty;
5. Promoting the social and economic well-being of Aboriginal people in the Gulf; and
6. Being recognised and performing the functions of a NTRB.

The Native Title Act

Part 11 of the NTA sets out the functions of the CLCAC as an NTRB. It also includes provisions about how the CLCAC is to perform these functions and prescribes how the CLACC is to be funded and held accountable.

CLCAC's functions under section 203 of the NTA are:

- Facilitation and assistance
- Certification
- Dispute resolution
- Notification
- Agreement making
- Internal review; and
- Other functions.

Although CLCAC's primary function is facilitation and assistance, it also performs the other functions set out in the NTA.

Certification

CLCAC's process of certification in relation to claims includes the preparation of a memorandum detailing the decision making process by which the claimants select and authorise the applicants. If CLCAC is satisfied, that there has been a proper and fair process to authorise the named Applicants by the claimant Group, and that all efforts have been made, to ensure that the application identifies the Native Title Claimant Group, the Chief Executive Officer then may certify the application.

Whether or not CLCAC will certify an Application will depend upon proper evidence of preparation of the application process provided to the Chief Executive Officer.

Amongst other things, preparation needs to include; ethnographic research to identify the basis of the community of Native Title Holders, the area of Land and or Sea to be claimed, the membership of the Claimant Group, records of minutes of all meetings, and of the decision making process undertaken at the meeting.

Dispute Resolution

CLCAC carries out its dispute resolution functions in a way that seeks to emphasise culturally appropriate mediation and negotiation with traditional owners, and seeks to identify the appropriate traditional owner groups prior to the lodgement or progression of native title applications.

Notification

As the NTSP for the lower Gulf of Carpentaria Region, CLCAC receives notices of proposed future acts from the Queensland Department of Natural Resources and Mines, Department of Agriculture and Fisheries and the Department of Environment and Heritage Protection. The Native Title Services Project Officer is responsible for the notification of all proposed future acts.

CLCAC works to ensure that registered native title claimants and/or traditional owner groups are notified of proposed future acts within their native title claim or determination area, and encourages traditional owners to work with CLCAC to respond to these future act notifications.

Agreement Making

Consistent with our Objectives, CLCAC will become a party to an ILUA as set out in section 203BH of the *Native Title Act 1993* (Cth), where this is necessary or convenient for realising the aspirations or furthering the interests of Traditional Owners.

Other functions

Other functions performed by the CLCAC during the reporting period include:

- Attending and participating in appropriate forums addressing native title and related matters;
- Providing a regular newsletter to update members, claimants and traditional owners on matters relevant to the progress of native title claims in our NTSP area for which we provide assistance and in order to wider promote understanding of native title;
- Conducting regular trips to Aboriginal communities in our NTSP area in order to consult with traditional owners and other Aboriginal people about matters that might affect them or which may have an impact on their native title rights and interests;
- Maintaining and updating a register of traditional owners and the lands, waters and/or seas to which they have traditional connections; and
- Assessing applications for assistance in accordance with CLCAC Policies and Procedures.

Organisational Structure

Membership

Membership of the CLCAC is open to adult Aboriginal persons who have a primary affiliation with a Gulf Language Group. Members must be affiliated with one of the recognised nine Gulf Language Groups outlined below:

1. Gangalidda
2. Garawa
3. Gkuthaarn
4. Kaiadilt
5. Kukatj
6. Kurtijar
7. Lardil
8. Waanyi
9. Yangkaal

Board of Directors

An elected Board determines the Corporation's priorities in all Corporate, Policy and Operational matters, monitors the work of the Corporation, and oversees the conduct of the Corporation's affairs. The Board of Directors comprises of one member (or alternate member) from each of the nine Gulf Language Groups.

Staff Structure

The Chief Executive Officer (CEO) is based in Cairns and has responsibility for the day to day operation and administration of the Corporation. The Chief Executive Officer is assisted in discharging this responsibility by the Senior Management Group. Our staff fall within one of four Organisational Units:

- Financial & Administration Services;
- Native Title Services;
- Jobs and Economic Strategy; and
- Land and Sea Management.

Outcome & Output Structure

The Output and Outcome Structure of CLCAC as a NTSP, is generally determined by the *Native Title Act 1993* (Cth). Although the terms “Outcomes” and “Outputs” are not used in the *Native Title Act 1993*, CLCAC uses them as a means to measure performance. Thus, the principal outcome towards which CLCAC as an NTSP strives is the recognition and protection of native title in its NTSP area. This follows from the objects set out in s.3 of the *Native Title Act 1993* (Cth).

The overall strategic objectives that CLCAC aims for are consistent with CLCAC’s Vision, Mission and Values:

- **Our Vision:** To be the leader of sustainable Indigenous economic development in the lower Gulf region where our people are self-determined and empowered to take control of country, culture and their future.
- **Our Values:** Unity, Leadership, Integrity and Commitment.
- **Our Principles:** In pursuing our vision and objectives CLCAC adheres to the following principles:
 - CLCAC’s Board will continue to provide a credible and effective forum for regional discussion, planning and action.
 - CLCAC’s Board will continue to maintain equal representation for each on the nine constituent Traditional Owner groups.
 - CLCAC will support the cultural and economic aspirations of Traditional Owner communities.
 - CLCAC recognises the need to continue to strive for the recognition of native title and to assist Traditional Owners to protect and manage country.

CLCAC’s overall Strategic Objectives for the reporting period were as follows:

| KEY AREA OF OPERATION | OBJECTIVES |
|--|---|
| <p>Accessible, responsive and well managed organisation</p> | <ul style="list-style-type: none"> • Improve opportunities for communities to engage with our activities and programs. • To share information about our programs and performance and let people know about how we will respond to future opportunities and challenges. • Manage resources sustainably. • Develop staff to meet current and future needs and deliver services our clients need and are happy with. |

| KEY AREA OF OPERATION | OBJECTIVES |
|---|---|
| Obtain positive determinations of Native Title and assist Prescribed Body Corporates | <ul style="list-style-type: none"> • To provide high quality professional services to secure native title or alternative settlement outcomes for Traditional Owners. • To assist Native Title Holders protect their rights and interests and successfully access financial opportunities which may flow. • Support and foster PBC's to be self-sufficient, charting and managing their own direction. • Seek out organisations and supporters who share similar social investment objectives and build long term sustainable partnerships that will assist in these endeavours. |
| Country is well managed | <ul style="list-style-type: none"> • To be the best land and sea unit across Northern Australia. • To combine the best available science with traditional knowledge and practices. • To improve how we manage country and in partnership with others grow the range of services we deliver. • To encourage our community and others to take positive actions in relation to environmental sustainability and to lead by example. |
| Prosperous communities | <ul style="list-style-type: none"> • To support and foster community development, entrepreneurs, enterprises and small businesses and help them establish in local and regional markets. • To collaborate with government, industry and others to achieve this objective and form partnerships to ensure success and a higher standard of living for all. • To encourage our community and others to take positive actions in relation to developing prosperous and sustainable communities. |

Strategic Plan

CLCAC developed and commenced implementing a 5 year Strategic Plan in February 2014. The strategies set out in our new Strategic Plan will guide our work for the next 5 years. An analysis of our performance against each of the above strategic objectives is set out in the following section.

Report on Performance

Native Title Output summary

CLCAC recorded the following native title outputs in 2014-2015:

| | |
|--|----|
| Total number of native title determination applications dependent on the CLCAC for assistance | 2 |
| Number of native title determination applications where CLCAC provides direct legal representation | 0 |
| Number of new applications filed in reporting year with CLCAC assistance | 0 |
| Number of registered determinations | 7 |
| Total number of non-claimant applications | 1 |
| Number of new non-claimant applications | 0 |
| Total number of compensation applications | 0 |
| Number of new compensation applications | 0 |
| Total number of registered ILUAs | 13 |
| Number of new ILUAs registered in the reporting year | 7 |
| Total number of native title determinations made by consent determination | 6 |
| Number of litigated native title determinations | 1 |

Analysis of performance against strategic objectives

Strategy 1: Accessible, Responsive and Well Managed Organisation

Objective - Improve opportunities for communities to engage with our activities and programs.

During this reporting period, CLCAC has met this objective by:

1. Providing representation for each of the nine constituent traditional owner groups and continuing to provide a credible and effective forum for regional discussion, planning and action;
2. Representing the interests of constituent Traditional Owner groups in State, Commonwealth and Local Government regional planning processes and responding to relevant government policy and legislative proposals;
3. Maintaining an up-to-date register of members;
4. Assessing applications for membership in an efficient manner and in accordance with our Rules; and
5. Distributing regular newsletters and posting of news up-dates on both our newly up-graded website and Facebook page.

Objective - To share information about our programs and performance and let people know about how we will respond to future opportunities and challenges.

During this reporting period, CLCAC has met this objective by:

1. Holding five meetings of the Board of Directors in 2015-2016, at which the Board was provided with strategic and technical advice and administrative support in order to make informed and transparent decisions in the interests of the nine constituent traditional owner groups.
2. Developing cooperative relationships with the State, local and Federal Governments. These relationships have continued to develop through the progression, negotiation and completion of the native title determination applications in the region;
3. Regularly liaising with State and local governments, including the Premier's Office, Department of Environment and Heritage Protection (EHP), National Parks, Sport and Racing (NPSR), Department of Agriculture and Fisheries (DAF), Burke Shire Council and Carpentaria Shire Council; and
4. Regularly liaising with Federal Government, including the Department of the Environment, PM&C, Department of Agriculture and Australian Border Force (ABF).

Objective - Manage resources sustainably.

During this reporting period, CLCAC has met this objective by:

1. Ensuring compliance with The Corporation's Rule Book and reporting obligations under the CATSI Act;
2. Holding regular Senior Management Teams where financial performance and budget compliance are regularly monitored; and
3. Preparing monthly budget reports which are monitored by the Senior Management Team.

Objective - Develop staff to meet current and future needs and deliver services our clients need and are happy with.

During this reporting period, CLCAC has met this objective by:

1. Undertaking a complete review of our training matrix for all Land and Sea Rangers and developed individual training and development schedules; and
2. Continuing to implement our Performance and Development Review for all staff with annual and mid-year reviews.

Strategy 2: Obtain Positive Determinations of Native Title and Assist Prescribed Body Corporates

Objective - To provide high quality professional services to secure native title or alternative settlement outcomes for Traditional Owners.

REPORT ON PERFORMANCE

Native title determination applications assisted by the CLCAC in this reporting period were:

| Application Name | NNTT File Number | Federal Court File Number | Date Filed |
|------------------------------|-------------------------|----------------------------------|-------------------|
| Kurtijar People | QC2015/006 | QUD483/2015 | 18/06/15 |
| Gkuthaarn and Kukatj Peoples | QC2012-019 | QUD685/12 | 28/11/12 |

Gangalidda and Garawa Peoples QUD 84/04 (QC04/5) and QUD66/05 (QC05/3)

On 23 June 2010 the Federal Court of Australia made two consent determinations recognising the Gangalidda and Garawa Peoples' native title rights and interests over parts of their two claims. These consent determinations recognise the Gangalidda People's exclusive native title rights over the pastoral leases of Brokera, Bundella, Pendine, Konka, Tarrant, part of Troutbeck east of Massacre Inlet as well as over the former Old Doomadgee Reserve. Non-exclusive rights to the remainder of the determination area, including the Escott pastoral lease and part of the Clifdale pastoral lease, were also recognised. Supporting ILUAs were registered on 17 January 2011.

By consent, a determination was made on 1 April 2015 (*QC04/05* and *QC95/03*; *Gangalidda and Garawa People v State of Queensland*) recognising the Gangalidda and Garawa Peoples' native title rights over the remaining 9,350 square kilometres of their claim area. Significant work was also completed to register the following pastoral lease, local government and national park ILUAs:

- Gangalidda People Birkalla, Little Doab, Nierrina, Beamesbrook and other interests ILUA
- Gangalidda People Almora Pastoral ILUA
- Gangalidda People Armraynald, Part Doab, Yarrum and Iluka Pastoral ILUA
- Gangalidda People Kotupna Pastoral ILUA
- Garawa People Wentworth Pastoral ILUA
- Gangalidda People Punjaub Pastoral ILUA
- Gangalidda People Finucane Island ILUA
- Gangalidda People Burketown Land Exchange ILUA

Number of Gangalidda & Garawa claim group/native title holders meetings = 4

Gkuthaarn and Kukatj Peoples – QUD685/12 (QC12/19)

CLCAC has been working closely with the Gkuthaarn and Kukatj Peoples to assist these groups to progress their native title determination application. Work continued on the anthropological research necessary for a connection report and the report has now been provided to the State for the purposes of mediation.

Number of Gkuthaarn & Kukatj claim group meetings = 2

Kurtijar People – QUD483/2015 (QC2015/006)

The Kurtijar People native title claim was filed on 18 June 2015 covering part of the traditional land and waters of the Kurtijar People. The claim was registered on 15 April 2016.

Number of claim group meetings = 3

Objective - To assist Native Title Holders protect their rights and interests and successfully access financial opportunities which may flow.

CLCAC assists Native Title Holders and Native Title Claimants in the region to protect Aboriginal Cultural Heritage and to mitigate the impact of future acts and other development proposals on native title rights and interests.

Future act notifications received by CLCAC during 2015-16 were as follows:

| Type of Future Act | Number of Notifications |
|---------------------------|--------------------------------|
| S29 Notifications | 7 |
| Other future acts | 34 |
| TOTAL | 41 |

Objective - Support and foster PBC's to be self-sufficient, charting and managing their own direction.

PBC Assistance - Gulf Region Aboriginal Corporation

Gulf Region Aboriginal Corporation (GRAC) is the RNTBC for the Lardil, Yangkaal, Kaiadilt and Gangalidda People, managing the rights and interests the subject of the determinations made in The Lardil Peoples v State of Queensland (QUD207/1997) and Lardil, Yangkaal, Gangalidda & Kaiadilt Peoples v State of Queensland (QUD7/2006). During this period CLCAC assisted GRAC to undertake the following activities:

1. Receive and respond to future act notifications;
2. Conduct community and general meetings;
3. Maintain a future acts and a native title holder database;
4. Comply with its CATSI obligations, including holding its AGM on 7 December 2015.

Number of GRAC Board meetings held = 6

PBC Assistance - Gangalidda and Garawa Native Title Aboriginal Corporation

The Gangalidda and Garawa Native Title Aboriginal Corporation (GGNTAC) was registered on 17 January 2011. It is the RNTBC managing the native title rights and interests the subject of the determinations made in Gangalidda and Garawa People v State of Queensland; Gangalidda and Garawa People v State of Queensland #2; Taylor on behalf of the Gangalidda and Garawa Peoples #1 v State of Queensland and Taylor on behalf of the Gangalidda and Garawa Peoples #2 v State of Queensland.

During this reporting period the CLCAC assisted the GGNTAC to:

1. Receive and respond to future act notifications;
2. Create and maintain a future act database;
3. Create and maintain a native title holder database;
4. Hold community meetings; and
5. Comply with its CATSI obligations, including holding its AGM on 25 November 2015.

Number of GGNTAC Board meetings held = 5

PBC Assistance - Waanyi Native Title Aboriginal Corporation

The Waanyi Native Title Aboriginal Corporation (GGNTAC) is the RNTBC managing the native title rights and interests the subject of the determinations made in Aplin on behalf of the Waanyi Peoples v State of Queensland (QUD6022/1999).

During this reporting period CLCAC provided financial assistance to WNTAC to enable it to:

6. Receive and respond to future act notifications;
7. Create and maintain a future act database;
8. Create and maintain a native title holder database;
9. Hold community meetings; and
10. Comply with its CATSI obligations, including holding its AGM on 17 September 2015.

Strategy 3: Country is Well Managed

Objective - To be the best land and sea unit across Northern Australia.

CLCAC is always looking for opportunities to strengthen and grow as we strive to be the best. In the 2015-2016 financial year the CLCAC commenced a comprehensive review of the Land and Sea Program. The purpose of the review is to identify:

- Area's for improving efficiencies;
- Operational gaps including skills, capacity, resourcing;
- Workforce planning priorities and career pathways;
- Future risks including externalities like funding models and recommended responses to these;
- Optimum resourcing and operating models; and
- Future opportunities for program expansion and sustainability, specifically opportunities for innovation, partnering and commercialisation of the programs competitive strengths.

The review including the evaluation report is expected to be finalised in late 2016.

Objective - To combine the best available science with traditional knowledge and practices.

Over the last year CLCAC has been achieving big things in the field of fire management by combining the best available science with traditional knowledge and practices. CLCAC continues to apply and develop the Gulf Savannah Fire Management Guidelines, a hugely valuable educational, planning and practical resource for all land managers in the region. Two CLCAC Rangers attended the 2016 International Fire Managers' Conference in Melbourne and we were the only land and sea unit represented and the only rangers to present. The Rangers networked with fire managers from across the globe and gave a very well received presentation which described how we combine the best scientific understandings with traditional fire practices to achieve great environmental outcomes.

This year has seen the continued success of CLCAC's Indigenous Fire and Weed Project which is funded by the Commonwealth Biodiversity Program from 2013-2017. The primary goal of this project is to enhance the biodiversity of landscapes through good fire management and the reduction of three key weeds of national significance (Rubber vine, Prickly acacia and Parkinsonia). To deliver this outcome CLCAC has engaged with key stakeholders such as the Queensland Rural Fire Service, Northern Territory Bushfires, Queensland Biosecurity, Northern Territory Weeds, Southern Gulf Catchments, Local Governments and Northern Land Council. This project also engages the Bidunggu Ranger team and they have been achieving great results in controlling weeds across the Gregory catchment. The fire ability of CLCAC rangers is well renowned and a professional service with no fires escaping during the control burns and tens of thousands of Rubber Vine plants eradicated.

This year has seen the continued expansion of the project into the Northern Territory with the involvement of the Waanyi/Garawa Rangers.

Objective - To improve how we manage country and in partnership with others grow the range of services we deliver.

In the last year CLCAC has developed its fee for service activities and has successfully delivered on contracts with the Commonwealth Department of Agriculture, Carpentaria Shire Council, Burke Shire Council and Queensland Parks and Wildlife. These contracts focused on feral animal control, weed control, biosecurity monitoring and landscape management using fire as the primary management tool.

In order to improve how we manage country and build the capacity of our ranger teams, CLCAC rangers frequently undertake refresher training to ensure they have the most up to date skills. This year the Rangers have successfully completed training for a wide variety of skills, including; fire management, chemical control of weeds, operating chainsaws, bird and animal biodiversity surveys (with a emphasis on remote crocodile management and migratory shorebird monitoring), first aid, feral animal control using aerial platform shooting and marine turtle monitoring.

The Normanton Land and Sea Rangers have received funding through the Queensland Department of National Parks, Sport and Racing as part of the Nest to Ocean Turtle Protection Program. In January 2015 the Normanton Land and Sea Rangers commenced their first dedicated year round turtle monitoring program, which continued again in 2016. The rangers have been working hard to continually improve and strengthen this program by consulting with top scientists in their respective fields and attending training to learn from other experienced Land and Sea Ranger groups. This has been a big year for CLCAC in strengthening our expertise in marine turtle conservation and making valuable connections with others in this field in order to improve how we manage country and care for its marine animals.

REPORT ON PERFORMANCE

CLCAC received funding through the Queensland Government under the Everyone's Environment Grants to undertake a large vertebrae pest project on Gangalidda Garawa country to the west of Burketown late 2014. An extension of this project through other funding sources within the Department of Prime Minister and Cabinet saw aerial culls continued in early 2016 with a total of 10,000 large vertebrae pests eradicated thus far. The positive changes to country were noticeable almost immediately, due to the first two culls being conducted during the wet season, especially along a large section of culturally and environmentally important coastline. This project has achieved great environmental outcomes and is one of many positive moves by CLCAC to ensure country is well managed, thus it was considered an important activity to continue to ensure continued improvements on country.

Objective - To encourage our community and others to take positive actions in relation to environmental sustainability and to lead by example.

We lead by example in the community by publicising our works and achievements by regularly updating our Facebook page and website. In the last year, CLCAC has been promoting the recent designation of a Flyway Network site on Delta Downs and the importance of this area for migratory birds. The designation of this site is a big achievement in waterbird conservation and has been publicised through interviews with the ABC and articles in various journals and e-magazines. Through these promotional activities, CLCAC sets a positive example in caring for country and encourages our community and others to take pride in and protect these valuable natural resources. A further nomination covering the entirety of Tarrant Station (north of Burketown) was made in 2016 and has received support for both the Queensland and Commonwealth Governments and is now with the international Flyway Network Board for their consideration. A positive outcome is expected imminently.

Rangers regularly visit all schools across the region to educate the next generation of frontline land managers. Seasonally appropriate interactive presentations are provided in the classroom, as well as fieldtrips and camps. These activities are thoroughly enjoyed by all participants, rangers included and are enthusiastically anticipated on the calendar. The breath and diversity of youngsters clamoring to be part of the program speaks well of the potential for the next generation in natural resource management initiatives for the region. Every kid in the region wants to be a ranger!

CLCAC works closely with the Department of Agriculture under the National Australia Quarantine Strategy (NAQS) regarding various biosecurity matters, such as plant diseases, insect monitoring and animal diseases. As part of this service, NAQS personnel and CLCAC rangers inspect urban yards on their visits to the communities of the lower Gulf to identify any potential diseases to fruit trees, infestation of weeds and other potential problems around the yard. This valuable service in another way of getting the message "out there" and educating the broader community on natural resource management issues affecting their area.

Land and sea management projects underway during the last year were:

Thuwathu/Bujimulla Indigenous Protected Area (IPA) for the Wellesley Islands

This Project is funded by the Australian Government's Department of Prime Minister and Cabinet - IPA Program. With the declaration of the IPA over 16,600 square kilometres of land and sea in November 2013, the Commonwealth Government has agreed to fund the implementation of the program over the Wellesley Islands by the Gulf Region Aboriginal Corporation, the PBC for the area. With support from CLCAC to assist GRAC in becoming fully operational in the area of natural resource management, rangers will again be functioning in late 2016.

Nijinda Durlga Indigenous Protect Area for Gangalidda traditional country

Stage 1 of the Nijinda Durlga IPA was declared in 2014 over an area of 250,000 hectares, with the declaration of Stage 2 planned to expand the area to over 625,000 hectares. This project enhances the capacity of the Gangalidda and Garawa Rangers to care for country by expanding the range of conservation services offered in a culturally appropriate and inclusive manner. This year saw ranger efforts focus on vertebrate pest management, migratory shorebird monitoring and remote crocodile management.

Gangalidda Garawa Working on Country Rangers

This Project is funded by the Australian Government's Working on Country Program (through the Department of Prime Minister and Cabinet) and employs a Ranger Coordinator and four Traditional Owners as rangers. Rangers work on their own land and sea country to undertake a range of natural and cultural resource management activities including:

- Weed and invasive animal management including the control of vertebrate pests (feral pigs and wild horses) and work to eradicate weeds of national significance;
- Monitoring and recording the effect of invasive animals and weeds on marine turtle nesting sites and freshwater wetlands;
- Traditional fire management of country and the continued application of fire management plans incorporating both western scientific best-practice techniques and traditional fire knowledge;
- Sea patrols and collection of marine debris (including ghost nets);
- Facilitating the transfer and preservation of Traditional Knowledge and protection of culturally significant sites;
- Biosecurity patrol monitoring for possible introduction of foreign debris and associated pests; and
- Community engagement activities such as exchange visits, liaison with schools and other community organisations, and joint patrols with other agencies.

REPORT ON PERFORMANCE

Queensland Land and Sea Rangers Program – Gangalidda & Garawa Rangers (based in Burketown) and Normanton Rangers

The Queensland Indigenous Land and Sea Ranger Program (formerly Wild River Rangers) is funded by the Queensland State Government through the Department of Environment and Heritage Protection (EHP) and aims to build the capacity of Gulf Aboriginal communities to manage community resources, strengthen the local economy based on natural resource management and to preserve and promote the natural values of the Wild River catchments. The program enables CLCAC to employ six rangers in Burketown, six rangers in Normanton and a Regional Land and Sea Coordinator/Mentor. It also provides mentoring support and training to develop land management capacity within the ranger program.

The Project supports a range of on-ground activities including:

- Fire, weed, and feral animal management;
- Preserving key wetlands or ecosystems of high biodiversity or cultural significance through activities such as weed and feral animal control and restoration works;
- Biodiversity monitoring to measure the success of management;
- Community and visitor education about cultural and natural values;
- Engaging Elders and Traditional Owners as mentors to familiarise rangers with cultural aspects of country;
- Developing partnerships with neighbouring communities, landholders and research agencies to identify and preserve areas of high cultural and natural values and management practices;
- Erosion mitigation and restoration works; and
- Developing and implementing landscape fire regimes for biodiversity improvement on country and within communities, incorporating both cultural and scientific practices.

Indigenous Fire Management Project

In 2015-2016, this Project continued to support CLCAC's rangers to use traditional fire management practices together with modern scientific knowledge to better control the extent and severity of savannah wildfires, thereby reducing greenhouse gas emissions and contributing to other land management objectives such as improved control of environmental weeds. This project has led to the improvement of community relationships with pastoralists and other land holders across the region. The work is funded by various sources including WoC, IPA, EHP, Southern Gulf Catchments, Queensland Rural Fire Service and the private sector.

Of note during the year was the release of the lower rainfall methodology which opens the way for CLCAC to enter into the carbon trading scheme if the Board determines that a priority in the future.

Biodiversity Fund Indigenous Fire and Weed Management Project

This major project is delivering fire and weed management actions across the lower Gulf of Carpentaria, over approx. 68,400 km² across Queensland and the Northern Territory through to June 2017. It has been funded for four years through the Federal Governments Biodiversity Fund (Northern Round). Indigenous fire knowledge and best practice scientific methods are being implemented together to protect and enhance landscape values, coordinate wildfire prevention across multiple tenures in the lower Gulf and reduce carbon emissions. Through early season burning, this project will protect against uncontrolled wildfire and be the last line of defence against the westerly spread of Weeds of National Significance (WoNS) species to the Northern Territory (namely Rubber Vine).

Key outcomes are:

- The application of more ecologically appropriate fire regimes that will lead to improved protection of fire-sensitive plant and animal communities and improve habitat condition and resilience in the project area.
- Carbon emissions will be reduced through the use of ecologically appropriate fire regimes during the project period.
- The connectivity and extent of remnant vegetation will be improved through the active management and control of three WoNS (Parkinsonia, Prickly Acacia and Rubber Vine) over 68,400 km², creating a management linkage between significant wetlands, pristine river catchments (previously declared Wild River Areas) and National Parks in the region.
- Community capacity and participation in best-practice weed and fire management will be significantly enhanced, particularly for local Traditional Owner groups and Indigenous rangers, during the project period and into the future.

This project also funds the fledgling Bidunggu Rangers who have been working to eradicate these same target weed species from the upper catchment of the Gregory/Nicholson River and to assist the Robinson River based Waanyi/Garawa Rangers.

Nest to Oceans

Funding was received in 2014 from the Queensland Department of National Parks, Sport and Racing to undertake activities that increase the survivability of marine turtles from predation by feral pigs and other predators in the south-eastern Gulf and lower western Cape York areas. Approval was granted to continue this project in 2016. This project is conducted by the Normanton Rangers who actively monitor marine turtle nesting success rates coinciding with a feral pig abatement program utilising aerial culling and ground-based baiting. The first round of aerial shooting was completed in early 2015 with 8,447 feral pigs removed with additional rounds in late 2015 resulting in a further 5,985 number destroyed.

Importantly, all participating landholders have agreed to maintain feral pig numbers after the conclusion of the project at the end of the 2015 calendar year, further strengthening the CLCAC feral pig abatement program which has removed over 70,000 feral pigs from the region since 2010.

Strategy 4: Prosperous Communities

Objective - To support and foster community development, entrepreneurs, enterprises and small businesses and help them establish in local and regional markets.

Objective - To collaborate with government, industry and others to achieve this objective and form partnerships to ensure success and a higher standard of living for all.

Objective - To encourage our community and others to take positive actions in relation to developing prosperous and sustainable communities.

Since the establishment of its Economic Development Unit, CLCAC has continued to undertake a range of activities including:

1. Implementation of a communication program involving regular project up-dates on the CLCAC web site and in the CLCAC newsletter;
2. Continued implementation of the Indigenous Tourism Destination and Product Development for the Gulf of Carpentaria Region partly funded by a Commonwealth Government Tourism Industry Regional Development Fund grant. This is involving project consultants working at two pilot locations to assist in developing and implementing business plans for new tourism enterprises;
3. Continued implementation of the Savannah Burning Carbon Business Feasibility assessment project;
4. Provision of assistance to one PBC to establish an on-line camping permit booking system; and
5. Preparation and submission of several funding applications, including one for continued funding for the Business and Economic Support Unit in out years.

Funding Sources

As a NTSP, CLCAC's Native Title service operations are funded by the Department of Prime Minister and Cabinet through its Native Title Program.

This year, CLCAC also received grants from:

1. Department of Prime Minister and Cabinet for the Indigenous Protected Areas and the Working on Country Fire and Weed Eradication Ranger Programs, as well as additional ranger positions and funded through the Jobs, Land and Economy Programme;
2. Department of Prime Minister and Cabinet's Jobs, Land and Economy Programme for the Indigenous Tourism Development Project in the lower Gulf of Carpentaria.
3. Department of the Environment for Indigenous Fire and Weed Management in the Lower Gulf of Carpentaria;

4. Queensland Government’s Department of Environment and Heritage Protection (EHP) for the Indigenous Ranger Programs in the Burketown and Normanton regions and Vertebrate Pest Management Project in the Southern Gulf of Carpentaria;
5. Department of National Parks, Sport and Racing (NPSR) for the Nest to Ocean Feral Pig Management Along the Coastlines of the Southern Gulf of Carpentaria and South Western Cape Project;
6. Indigenous Land Corporation (ILC) for Exclusion Fencing Project on Delta Downs Station; and
7. Southern Gulf Catchments (SGC) for fire management for weed control..

Funding release details for the reporting period were as follows:

| FUNDING BODY | AMOUNT |
|---|------------------|
| Department of Prime Minister and Cabinet (PM&C) | 4,513,929 |
| Department of the Environment | 651,229 |
| Department of Environment and Heritage Protection (EHP) | 1,389,895 |
| Department of National Parks, Sport and Racing (NPSR) | 160,351 |
| Indigenous Land Corporation (ILC) | 55,500 |
| Southern Gulf Catchments (SGC) | 100,000 |
| TOTAL FUNDING RECEIVED | 6,870,904 |

Factors, Events and Trends Affecting Performance

The single greatest factor that continues to affect CLCAC’s performance of its objects and functions is Financial Resourcing in an ever increasing competitive funding environment, impacting the Organisation’s ability to retain a number of key support positions. CLCAC has continued to experience the difficulties of attempting to perform a wide range of important functions with a very small budget. Other factors which have continued to affect CLCAC’s performance include:

- The highly complex and changeable nature of native title and related areas of law;
- The evidentiary challenges of establishing the existence of native title;
- The logistical and cost implications of working in remote locations;
- The remoteness of CLCAC region; and
- The “wet season” which affects CLCAC’s ability to gain access to and perform work in large parts of its NTRB area for approximately four months per year.

Significant changes in nature of principal functions/services

There are no significant changes in the nature of CLCAC's principal functions/services to report.

Complaints

One complaint was made to CLCAC during 2015-2016 reporting year.

Any written complaints are referred to the Chief Executive Officer who assesses them. The Chief Executive Officer may refer the complaint to an appropriate person to manage the complaint resolution process within an agreed timeframe.

Likely developments

The Directors envisage that CLCAC will continue its existing operations, subject to the receipt of ongoing funding from Government and other sources. The Directors expect during the next three years, the principal activities of the Corporation will increasingly be directed toward the work of its Business and Economic Development Unit.

Financial Performance and Position

CCLCAC received an unqualified Audit Report for the year ended 30 June 2016.

CLCAC recorded a net loss of \$28,539 (2015: loss of \$41,833).

Total grant funding of \$6,568,347 increased compared to last year (2015: \$5,453,492) which was the result of increased native title funding as well as additional land and sea funding through the PMC's Jobs, Land and Economy Programme.

Unexpended Grant Funding for the year ended 30 June 2016 from all funding sources amounted to \$1,623,511 (2015 \$1,323,114). The majority of the unexpended grant funding relates to prepayment of the Strategic Investment Grant for development of Indigenous Tourism for the 2017 financial year. Approval is being sought to have any remaining unspent monies rolled forward for use in the next reporting period.

The corporation's net assets have decreased to \$2,217,680 (2015: \$2,246,219). Working capital has increased to \$523,351 (2015: \$465,107).

Comparison of Financial Information – Native Title Funding Grant

The following table illustrates the comparison of financial information for 2014-2015 and 2015-2016 in relation to the Native Title Program Funding Agreement:

| NTSP functions | (1) | (2) | (3) | (4) |
|--|--------------------------------------|---|--------------------------------------|---|
| (Funds utilised under Native Title Program Funding Agreement) | Actual 2014-15 \$,000 | Budget 2015-16 (Budget) \$,000 | Actual 2015-16 \$,000 | Variation 2015-16 \$,000 |
| Expenditure | | | | |
| Capital | 73 | - | - | - |
| PBC Support | 150 | 150 | 151 | (1) |
| Activities | 1,818 | 2,718 | 2,374 | 344 |
| Corporate | 300 | 422 | 436 | (14) |
| Total | 2,343 | 3,290 | 2,961 | 329 |
| Income | | | | |
| Native Title Funding | 2,738 | 2,221 | 2,221 | - |
| Offset of Funds from Previous Year | 465 | 1,039 | 1,039 | - |
| <i>Activity Generated Income:</i> | | | | |
| - Interest Earned | 19 | 20 | 32 | 12 |
| - Sale of Capital Items | - | - | - | - |
| - Other Activity Generated Income | 159 | 10 | 18 | 8 |
| Total | 3,382 | 3,290 | 3,310 | 20 |
| Surplus | 1,039 | - | 349 | 349 |

Surplus

In relation to the Native Title funding grant, CLCAC has ended the financial year with a surplus of \$349,388 (2015: \$1,039,467). Prior to the end of the 2015-2016 financial year PMC varied the 2015-2016 Native Title funding agreement to extend the end date to 31 December 2016.

Corporate Governance

CLCAC's corporate governance is structured as follows:

Board of Directors

The Board of Directors consists of one representative from each of the nine gulf language groups in the lower Gulf of Carpentaria. The Chairperson of CLCAC is Mr Thomas Wilson. The Rules of CLCAC require an election of Directors be held every two years and the next election is required to be held at the 2017 Annual General Meeting.

During the reporting period, CLCAC held 5 meetings of the Board of Directors.

List of current CLCAC Directors and Alternate Directors:

| Gulf Language Group | Director | Alternate Director |
|---------------------|------------------|--------------------|
| Gangalidda | Murrandoo Yanner | Terrance Taylor |
| Garawa | Donald Bob | Keith Rory |
| Lardil | Thomas Wilson | Wayne Williams |
| Kaiadilt | Gerald Loogatha | Duncan Kelly |
| Yangkaal | Lawrence Burke | Chicko Toby |
| Kukatj | Philip George | Reggie Sambo |
| Kurtijar | Joseph Rainbow | Lance Rapson |
| Gkuthaarn | Marlene Logan | Paul Richardson |
| Waanyi | Henry Aplin | Peter Cameron |

Attendance Records – Board of Director’s Meetings 2015-2016:

*NR=Not Required

| Director | Gulf Language Group | 18 Aug 2015 | 21 Oct 2015 | 15 Feb 2016 | 21-22 Mar 2016 | 9 May 2016 |
|--------------------------|----------------------------|--------------------|--------------------|--------------------|-----------------------|-------------------|
| Murrandoo Yanner | Gangalidda | Yes | Yes | Yes | Yes | Yes |
| Terrence Taylor (Alt) | Gangalidda | NR | NR | NR | Yes | NR |
| Donald Bob | Garawa | Yes | Yes | Yes | Yes | No |
| Gerald Wollogorang (Alt) | Garawa | NR | NR | NR | NR | NR |
| Keith Rory (Alt) | Garawa | NR | NR | NR | Yes | NR |
| Marlene Logan | Gkuthaarn | NR | Yes | NR | NR | NR |
| Pauline Bee (Alt) | Gkuthaarn | NR | NR | NR | NR | NR |
| Paul Richardson (Alt) | Gkuthaarn | NR | NR | NR | NR | NR |
| Thomas Wilson | Lardil | Yes | Yes | Yes | Yes | Yes |
| Wayne Williams (Alt) | Lardil | NR | NR | NR | Yes | NR |
| Gerald Loogatha | Kaiadilt | Yes | Yes | No | Yes | Yes |
| Duncan Kelly (Alt) | Kaiadilt | NR | NR | NR | Yes | NR |
| Phillip George | Kukatj | Yes | Yes | Yes | Yes | Yes |
| Barry George (Alt) | Kukatj | NR | NR | NR | NR | NR |
| Reggie Sambo (Alt) | Kukatj | NR | NR | NR | Yes | NR |
| Joseph Rainbow | Kurtijar | No | Yes | Yes | Yes | Yes |
| Gail McPherson (Alt) | Kurtijar | NR | NR | NR | NR | NR |
| Lance Rapson (Alt) | Kurtijar | NR | NR | NR | NR | NR |
| Sasha Hookey | Waanyi | Yes | Yes | NR | NR | NR |
| Henry Aplin | Waanyi | NR | NR | Yes | Yes | No |
| Lois Jacob (Alt) | Waanyi | NR | NR | NR | NR | NR |
| Peter Cameron (Alt) | Waanyi | NR | NR | NR | Yes | NR |
| Lawrence Burke | Yangkaal | Yes | Yes | No | Yes | Yes |
| Chicko Toby (Alt) | Yangkaal | NR | NR | NR | Yes | NR |

Contact Person

Simone Arnol was reappointed as Contact Person at the SGM held on 18 June 2014 and remains in the position of Contact Person.

Senior Management Group

CLCAC has a Senior Management Group which meets regularly to discuss and plan operational matters. The Senior Management Group is comprised of the Chief Executive Officer, Corporate Services Manager, Deputy Chief Executive Officer and the Principal Legal Officer.

The CEO of CLCAC is Mr Charles Hammond.

Remuneration of Senior Staff

One employee received a salary of more than \$100,000 during the 2014-2015 Reporting Period. A review of CLCAC's Salary Framework was undertaken during the 2013-2014 financial year. As a result of the review CLCAC moved away from the 'Alexander Dodd NTRB Salaries Framework' and instead adopted a Salary Framework more in line with the Queensland State Public Service Award. Salaries were reviewed and adjusted in accordance with movements in relevant State Awards in the 2015-2016 financial year.

Policies and Procedures

CLCAC continues to adopt and implement the following policies and procedures in conjunction with its overarching policies and procedures manual to ensure the maintenance of appropriate ethical standards and to manage risk:

- Occupational Health and Safety Plan
- Communication and Social Media Policy
- Performance and Development Review Policy

External Scrutiny

Judicial Review

There have been no judicial or administrative tribunal decisions in relation to the CLCAC during the reporting period.

ORIC Examination

During the reporting period the Registrar issued an examination of CLCAC under section 453-1 of the *Corporations (Aboriginal and Torres Strait Islander) Act 2006 (Cth)*. Kestrel Solutions Pty Ltd conducted the examination on behalf of ORIC.

The examination reviewed the corporate governance and financial management of the corporation. It checked if the corporation is being governed in accordance with its Rule Book and the CATSI Act and whether the directors are complying with their obligations under the rule book and the CATSI Act. It also checked that proper financial records are being kept and that good proper procedures are in place to manage the Corporation's financial affairs.

The examination determined that the standard of corporate governance at CLCAC is satisfactory and that the corporation is being well managed.

A Management Letter was issued, noting a few minor matters to be brought to the attention of CLCAC Board of Directors, but not serious enough to require ORIC to issue a compliance notice. The CLCAC Management and Board of Directors disagreed with some of the findings and provided further documentation to ORIC in support of the claim. As at the reporting date CLCAC was waiting for ORIC to issue an amended Management Letter, removing all but two of the minor matters raised.

External Independent Audit

Independent audit of CLCAC's financial records was undertaken by Grant Thornton for the 2015-2016 financial year. Once again CLCAC received an unqualified audit and there were no areas for concern, instances of fraud or material misstatements noted in the Auditor's Report to Management and the Board dated 26 September 2016.

Management of Human Resources

Staffing Retention and Turnover

CLCAC has successfully undertaken Performance Management of Staff, promoted Training and Development and strived to retain and attract suitable employees.

During the 2015-2016 financial year, CLCAC continued to be involved in the MMG Century Mine's *Work Ready, Job Ready Program* through hosting Ranger Trainees in the Burketown and Normanton Ranger units. As at 30 June 2016 CLCAC hosted four Trainees, two (2) with our Burketown Ranger Unit and two (2) with our Normanton Ranger Unit.

The CLCAC was successful with an application from funding from PMC's Indigenous Advancement Strategy: Jobs, Land and Economy Programme funding to expand the capacity of the ranger units in Burketown and Normanton. The funding created five (5) new ranger positions across the region; two (2) additional ranger positions for the Gangalidda and Garawa Ranger group in Burketown and three (3) additional ranger positions for the Gkuthaarn, Kukatj and Kurtijar Ranger group in Normanton. All positions were filled in the reporting period.

At the commencement of the reporting period CLCAC had four position vacancies across the Native Title Services, Strategy and Policy and Land and Sea Units. The CLCAC managed to recruit for three of these vacancies as well as to other positions that became available during the year due. New staff were appointed to the following positions:

Cairns Office:

- Native Title Services Project Officer.

Normanton:

- Continued internal progression of the Senior Head Ranger to take on the role of Ranger Coordinator; and
- Indigenous Rangers.

Burketown:

- Continued internal progression of the Senior Head Ranger to take on the role of Ranger Coordinator;
- Land and Sea Project Officer (new position); and
- Indigenous Rangers.

As at 30 June 2016 CLCAC employed thirty (30) permanent employees and six (6) casual employees. There were six (6) vacant full time positions.

CLCAC'S staffing levels (permanent positions) at 30 June 2016 were as follows:

| Chief Executive Officer (1) | | | |
|------------------------------------|--|--|---|
| Corporate Services Unit | Native Title Services Unit | Land & Sea Management Unit | Strategy & Policy Unit |
| Corporate Services Manager | Native Title Services Manager and Deputy CEO | Regional Ranger Coordinator/Mentor | Planning and Policy Officer |
| Finance Officer | Native Title Services Project Officer (Vacant) | Fire Weed Project Officer | Land and Sea Planning and Policy Officer |
| HR and Compliance Officer (Vacant) | Community and Stakeholder Officer | Senior Head Rangers (2) | Prescribed Body Corporate (PBC) and Economic Development Officer (Vacant) |
| | | Head Ranger (2) | |
| Corporate Project Officer | | Rangers (14, plus 3 vacancies) | |
| | | Land and Sea Project Officer | |
| | | Corporate Services and Project Support Officer | |
| 4 | 3 | 25 | 3 |

Staffing Profile and Statistics

In keeping with the overall aims of the Corporation, CLCAC is pleased to be able to employ a high proportion of Indigenous staff:

| | Indigenous | Non-Indigenous | Total |
|--------------|-------------------|-----------------------|--------------|
| Male | 21 | 3 | 24 |
| Female | 3 | 3 | 6 |
| TOTAL | 24 | 6 | 30 |

Staff Training and Professional Development

Staff training and professional development continues to be a significant challenge for an organisation with a small budget. CLCAC relies heavily on PM&C and other agencies to sponsor training and professional development for staff. CLCAC acknowledges the importance of setting work and training priorities to maximise the benefits to participating staff. The ongoing management of the training needs of the organisation has consisted of the following:

- Organisational training plan developed and used to target investment in training;
- Ongoing training and development needs identified for all staff;
- Uptake of training opportunities monitored; and
- Monitoring of results.

MANAGEMENT OF HUMAN RESOURCES

Through its succession management plan, CLCAC aims to train and encourage Indigenous staff to seek career paths within CLCAC so as to advance competent Indigenous employees to senior positions within CLCAC and to build capacity for their PBC in readiness for future economic development opportunities.

CLCAC is developing specific programs aimed at:

- Targeting recruitment of Indigenous People for identified and general positions;
- Promotion of all employment opportunities through Indigenous community groups and Indigenous media; and
- Developing culturally appropriate training, mentoring and support systems.

PMC Courses and Conferences

CLCAC expended \$11,608 of Native Title funds on the Capacity Building program for NTRBs/NTSPs during the reporting period. With this funding, staff from the Native Title Services and Corporate Units attended the following courses and conferences:

- Cultural Heritage Database

Land and Sea Courses and Conferences

Staff from the Land and Sea Unit attended the following courses and conferences:

- Firearms Safety
- First Aid, including CPR, Defibrillation and Remote First Aid
- Small Vessel Handling and Marine Radio Operation
- Certificate II in Maritime Operations (Coxswains)
- Units of competency toward Certificate II and III of Conservation and Land Management, including Safe Operation of a Chainsaw, Safe Operation of a Quad Bike, Safe Operation of a side by side ATV and Prepare and Apply Chemicals
- Operate a 4x4
- Erosion control
- Fire management
- Bird and animal biodiversity surveys
- Feral animal control using aerial platform shooting
- Marine turtle monitoring
- Plan a Carbon Farming Initiative (Cert IV)

Other Courses and Training Opportunities

Staff from the Corporate Unit also undertook the following training in line with current CLCAC priorities:

- Updating and Maintaining a Website
- Taxation and Payroll
- MYOB Bookkeeping
- Applied First Aid
- Change Management

Occupational Health and Safety Performance

CLCAC is cognisant of and complies with Occupational Health and Safety requirements and every effort is made to ensure that staff work in a safe environment at all times, whether in the office or the field. During the 2015-2016 financial year CLCAC engaged external consultants to review its Workplace Health and Safety Policies and Procedures and Safe Work method Statements.

Insurances - Indemnity and Insurance Premiums

CLCAC has had association liability insurance cover of \$5 million and public liability cover of \$20 million for the entire 2015-2016 Financial Year.

Consultants and Competitive Tendering and Contracting

Consultants

CLCAC relies on assistance from external contractors and consultants to achieve its native title objectives. CLCAC entered into seventeen (17) Consultancy Services Arrangements in 2015-2016. Nineteen (19) Contracts related to the provision of Legal Services, four (4) Contracts to Anthropological Services, three (3) contracts were related to Accounting and Financial services, and five (5) contracts to other Consultancy Services.

The total cost to CLCAC for Consultancy Services (excluding GST) in respect of the Native Title Program in the Reporting Year is outlined in below.

| Consultancies | Total Expended \$ |
|----------------------|--------------------------|
| Accounting | 11,200 |
| Anthropological | 423,796 |
| Legal | 1,225,239 |
| Other | 121,722 |
| TOTAL | 1,781,957 |

Competitive Tendering and Contracting Practices

CLCAC has in place procurement procedures for all supplies of goods and services. These procedures ensure that contract specifications do not bias or predetermine the outcome in awarding contracts. All procurement activities are based on the core principle of value for money and are compliant with Commonwealth procurement guidelines and the Procurement for Activity clauses of the Native Title Program Funding Agreement.



*Carpentaria
Land Council
Aboriginal
Corporation*

ABN 99 121 997 933 - ICN 268

**ANNUAL
FINANCIAL
REPORT
2015 – 2016**

ANNUAL FINANCIAL REPORT

CARPENTARIA LAND COUNCIL ABORIGINAL CORPORATION DIRECTORS' DECLARATION

In the opinion of the directors of Carpentaria Land Council Aboriginal Corporation ("the Corporation"):

- (a) the financial statements and notes, set out on pages 2 to 26, are in accordance with the Corporations (Aboriginal and Torres Strait Islander) Regulations 2007, including:
 - (i) giving a true and fair view of the Corporation's financial position as at 30 June 2016 and of its performance for the financial year ended on that date; and
 - (ii) complying with Australian Accounting Standards, the Corporations (Aboriginal and Torres Strait Islander) Regulations 2007 and any applicable determinations made by the Registrar of Aboriginal Corporations under Division 336 of the Corporations (Aboriginal and Torres Strait Islander) Act 2007.

- (b) there are reasonable grounds to believe that the Corporation will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:

Dated at Cairns this 26th day of September 2016



Thomas Wilson
Chairperson

CARPENTARIA LAND COUNCIL ABORIGINAL CORPORATION
STATEMENT OF FINANCIAL POSITION
as at 30 June 2016

| | Notes | 2016 \$ | 2015 \$ |
|-----------------------------------|-------|------------------|------------------|
| ASSETS | | | |
| Financial assets | | | |
| Cash and cash equivalents | 4A | 3,260,463 | 2,628,628 |
| Trade and other receivables | 4B | 43,606 | 85,654 |
| Other financial assets | 4C | 42,490 | 29,034 |
| Total financial assets | | 3,346,559 | 2,743,316 |
| Non-financial assets | | | |
| Property, plant and equipment | 5A | 1,673,100 | 1,778,742 |
| Total non-financial assets | | 1,673,100 | 1,778,742 |
| Total assets | | 5,019,659 | 4,522,058 |
| LIABILITIES | | | |
| Payables | | | |
| Suppliers | 7A | 623,916 | 397,330 |
| Grants | 7B | 1,623,511 | 1,323,114 |
| Other payables | 7C | 307,866 | 333,679 |
| Total payables | | 2,555,293 | 2,054,123 |
| Provisions | | | |
| Employee entitlements | 8A | 246,686 | 221,716 |
| Total provisions | | 246,686 | 221,716 |
| Total liabilities | | 2,801,979 | 2,275,839 |
| Net assets | | 2,217,680 | 2,246,219 |
| EQUITY | | | |
| Asset revaluation reserve | | 1,014,626 | 1,014,626 |
| Retained surplus | | 1,203,054 | 1,231,593 |
| Total equity | | 2,217,680 | 2,246,219 |
| Current assets | | 3,325,330 | 2,721,665 |
| Non-current assets | | 1,694,329 | 1,800,393 |
| Current liabilities | | 2,801,979 | 2,256,558 |
| Non-current liabilities | | - | 19,281 |

The above statement should be read in conjunction with the accompanying notes.

ANNUAL FINANCIAL REPORT

CARPENTARIA LAND COUNCIL ABORIGINAL CORPORATION STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME for the year ended 30 June 2016

| | Notes | 2016 \$ | 2015 \$ |
|--|-------|------------------|------------------|
| INCOME | | | |
| Revenue | | | |
| Revenue from Government | 2A | 6,568,347 | 5,453,492 |
| Other revenue | 2C | 328,144 | 352,328 |
| Total revenue | | 6,896,491 | 5,805,821 |
| Other income | | | |
| Gain on disposal of assets | 2D | - | 18,693 |
| Total other income | | - | 18,693 |
| Total income | | 6,896,491 | 5,824,513 |
| EXPENSES | | | |
| Employee expenses | 3A | 2,391,795 | 2,207,185 |
| Suppliers | 3B | 4,392,730 | 3,468,173 |
| Depreciation and amortisation | 3C | 191,839 | 246,433 |
| Bad debts | 3D | 5,090 | - |
| Total expenses | | 6,981,454 | 5,921,791 |
| Results from operating activities | | (84,963) | (97,277) |
| Finance income | 2B | 59,870 | 56,316 |
| Finance costs | 3E | (3,446) | (871) |
| Net finance income | | 56,424 | 55,445 |
| Loss before tax | | (28,539) | (41,833) |
| Tax expense | 1.12 | - | - |
| Net loss for the year | | (28,539) | (41,833) |
| Other comprehensive income | | | |
| Items that will not be reclassified to profit or loss | | | |
| Revaluation of property, plant and equipment | | - | - |
| Total comprehensive income for the year | | (28,539) | (41,833) |

The above statement should be read in conjunction with the accompanying notes.

CARPENTARIA LAND COUNCIL ABORIGINAL CORPORATION
STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2016

| | Retained surplus | | Asset revaluation reserve | | Total equity | |
|--|------------------|-----------|---------------------------|-----------|------------------|-----------|
| | 2016 | 2015 | 2016 | 2015 | 2016 | 2015 |
| | \$ | \$ | \$ | \$ | \$ | \$ |
| Balance at 1 July | 1,231,593 | 1,273,426 | 1,014,626 | 1,014,626 | 2,246,219 | 2,288,052 |
| Total comprehensive income for the year | | | | | | |
| Loss for the year | (28,539) | (41,833) | - | - | (28,539) | (41,833) |
| Total comprehensive income for the year | (28,539) | (41,833) | - | - | (28,539) | (41,833) |
| Balance at 30 June | 1,203,054 | 1,231,593 | 1,014,626 | 1,014,626 | 2,217,680 | 2,246,219 |

The above statement should be read in conjunction with the accompanying notes.

ANNUAL FINANCIAL REPORT

CARPENTARIA LAND COUNCIL ABORIGINAL CORPORATION STATEMENT OF CASH FLOWS for the year ended 30 June 2016

| | Notes | 2016 \$ | 2015 \$ |
|--|-------|--------------------|--------------------|
| OPERATING ACTIVITIES | | | |
| Cash received | | | |
| Services and grants | | 7,525,579 | 6,477,233 |
| Other revenue | | 398,087 | 593,412 |
| Interest | | 59,870 | 56,316 |
| Total cash received | | <u>7,983,536</u> | <u>7,126,961</u> |
| Cash used | | | |
| Employees and suppliers | | (7,237,234) | (6,283,692) |
| Finance costs | | (3,446) | (871) |
| Net GST paid to the ATO | | (24,824) | (19,841) |
| Grants repaid | | - | (64,908) |
| Total cash used | | <u>(7,265,504)</u> | <u>(6,369,312)</u> |
| Net cash from operating activities | 9 | <u>718,032</u> | <u>757,649</u> |
| INVESTING ACTIVITIES | | | |
| Cash received | | | |
| Proceeds from sales of property, plant and equipment | | - | 53,536 |
| Total cash received | | - | 53,536 |
| Cash used | | | |
| Purchase of property, plant and equipment | | (86,197) | (189,441) |
| Total cash used | | <u>(86,197)</u> | <u>(189,441)</u> |
| Net cash from investing activities | | <u>(86,197)</u> | <u>(135,905)</u> |
| FINANCING ACTIVITIES | | | |
| Cash used | | | |
| Repayment of borrowings | | - | (51,136) |
| Total cash used | | - | (51,136) |
| Net cash from financing activities | | - | (51,136) |
| Net increase in cash and cash equivalents | | 631,835 | 570,608 |
| Cash and cash equivalents at 1 July | | 2,628,628 | 2,058,020 |
| Cash and cash equivalent at 30 June | 4A | <u>3,260,463</u> | <u>2,628,628</u> |

The above statement should be read in conjunction with the accompanying notes.

CARPENTARIA LAND COUNCIL ABORIGINAL CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2016

Note 1: Summary of Significant Accounting Policies

1.1 Basis of preparation

Carpentaria Land Council Aboriginal Corporation ("the Corporation") is an Aboriginal corporation domiciled in Australia. The address of the Corporation's registered office is Suite 2, Level 1, 104 Mulgrave Road, Cairns QLD 4870. The Corporation is a not-for-profit entity and primarily is involved in the provision of native title related services and land and sea management activities.

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards ("AASBs") adopted by the Australian Accounting Standards Board ("AASB") and the Corporations (Aboriginal and Torres Strait Islander) Act 2006. Because the Corporation is a not-for-profit entity and AASBs include requirements for not-for-profit entities which are inconsistent with International Financial Reporting Standards ("IFRSs"), to the extent these inconsistencies are applied, this report does not comply with IFRSs.

The financial statements have been prepared on the historical cost basis, except for certain classes of property, plant and equipment which are stated at fair value.

The financial report is presented in Australian dollars, which is the Corporation's functional currency.

In the current year, the Corporation adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the current reporting period. The adoption of the new and revised Standards and Interpretations has not resulted in any material changes to the Corporation's accounting policies.

Certain comparative amounts in the statement of profit or loss and other comprehensive income and the statement of cash flows have been reclassified to conform with the current year's presentation.

1.2 Use of estimates and judgements

The preparation of financial statements in conformity with AASBs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. These accounting policies have been consistently applied by the Corporation.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Information about critical judgements in applying accounting policies, assumptions and estimation uncertainties that have a significant effect on the amounts recognised in the financial statements is included in note 5: Property, plant and equipment, and note 6: Fair value measurements.

1.3 Financial instruments

Non-derivative financial assets

The Corporation initially recognises loans and receivables and deposits on the date that they are originated. All other financial assets are recognised initially on the trade date at which the Corporation becomes a party to the contractual provisions of the instrument.

The Corporation derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that are created or retained by the Corporation is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when the Corporation has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Corporation has the following non-derivative financial assets:

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise cash and cash equivalents and trade and other receivables.

ANNUAL FINANCIAL REPORT

CARPENTARIA LAND COUNCIL ABORIGINAL CORPORATION NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 1: Summary of Significant Accounting Policies (continued)

1.3 Financial instruments (continued)

Non-derivative financial assets (continued)

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less.

Non-derivative financial liabilities

The Corporation initially recognises financial liabilities on the date which the Corporation becomes a party to the contractual provisions of the instrument. The Corporation derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

The Corporation has the following non-derivative financial liabilities: trade and other payables, loans and borrowings.

The Corporation classifies non-derivative financial liabilities into the other financial liabilities category.

Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest rate method.

1.4 Property, plant and equipment

Recognition and measurement

Purchases of property, plant and equipment are recognised initially at cost in the statement of financial position, except for purchases costing less than \$2,000, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

Costs include expenditures that are directly attributable to the acquisition of the asset. The cost of self constructed assets includes the cost of materials and direct labour, any other costs attributable to bringing the asset to a working condition for its intended use, the costs of dismantling and removing the items and restoring the site on which they are located and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as a separate item (major components) of property, plant and equipment.

Following initial recognition at cost, components of property, plant and equipment, excluding leasehold land, are carried at fair value. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets do not differ materially from the assets' fair values as at the reporting date. The regularity of independent valuations depends upon the volatility of movements in market values for the relevant assets. Leasehold land is measured at cost less accumulated depreciation and impairment losses. Further information about the assumptions made in determining fair values is disclosed in note 6.

Revaluations

Fair values for each class of assets are determined as shown below:

| <i>Asset class</i> | <i>Fair value measured at</i> |
|-----------------------------------|-------------------------------|
| Land | Market selling price |
| Buildings | Depreciated replacement cost |
| Motor vehicles | Market selling price |
| Plant and equipment | Market selling price |
| Furniture, fittings and equipment | Market selling price |

Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Corporation and its cost can be reliably measured. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised as expenses as incurred.

Disposals

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of the property, plant and equipment disposed and are recognised net in the statement of profit or loss and other comprehensive income. When revalued assets are sold, the amounts included in the revaluation reserve are not transferred to retained surplus.

CARPENTARIA LAND COUNCIL ABORIGINAL CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2016

Note 1: Summary of Significant Accounting Policies (continued)

1.4 Property, plant and equipment (continued)

Depreciation

Items of property, plant and equipment are depreciated from the date that they are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

Depreciation is calculated to write off the cost or fair value of property, plant and equipment less their estimated residual values using the straight line basis over their estimated useful lives. Depreciation is generally recognised in expenses, unless the amount is included in the carrying amount of another asset. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Corporation will obtain ownership by the end of the lease term. Freehold land is not depreciated.

The estimated useful lives for the current and comparative periods are as follows:

| | 2016 | 2015 |
|-----------------------------------|-------------|-----------|
| Leasehold land | 80 years | 80 years |
| Buildings | 20 years | 20 years |
| Plant and equipment | 4-5 years | 4-5 years |
| Furniture, fittings and equipment | 3-5 years | 3-5 years |
| Motor vehicles | 4 years | 4 years |

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

1.5 Leased assets

Assets held by the Corporation under leases which transfer to the Corporation substantially all the risks and rewards of ownership are classified as finance leases. On initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Assets held under other leases are operating leases and the leased assets are not recognised on the Corporation's statement of financial position.

1.6 Impairment

Financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Corporation on terms that the Corporation would not consider otherwise, or indications that a debtor or issuer will enter bankruptcy.

The Corporation considers evidence of impairment for financial assets measured at amortised cost (loans and receivables) at a specific asset level. All individually significant receivables are assessed for specific impairment.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in finance costs and reflected in an allowance account against loans and receivables. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through other income.

Non-financial assets

The carrying amounts of the Corporation's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. As the entity is a not-for-profit entity, value in use is the depreciated replacement cost of an asset as the future economic benefits of the asset are not primarily dependent on the asset's ability to generate net cash inflows and as the entity would, if deprived of the asset, replace its remaining future economic benefits.

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CARPENTARIA LAND COUNCIL ABORIGINAL CORPORATION NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 1: Summary of Significant Accounting Policies (continued)

1.6 Impairment (continued)

Non-financial assets (continued)

Impairment losses are recognised in profit or loss.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

1.7 Employee benefits

Liabilities for services rendered by employees are recognised at the reporting date to the extent that they have not been settled.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as a personnel expense in the periods during which services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Other long-term benefits

The Corporation's net obligation in respect of long-term service benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using expected future increases in wage and salary rates including related on-costs and expected settlement dates and is discounted using the rates attached to the Commonwealth Government bonds at the reporting date which have maturity dates approximating to the terms of the Corporation's obligations, and that are denominated in the same currency in which the benefits are expected to be paid. The calculation is performed using the projected unit credit method. Any actuarial gains or losses are recognised in expenses in the period in which they arise.

Short-term benefits

Short-term employee benefit obligations are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Corporation has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Amounts expected to be settled within 12 months are calculated on current wage and salary levels and include related employee on-costs. Amounts not expected to be settled within 12 months are calculated on projected future wage and salary levels and related employee on-costs and are discounted to present values.

The short term liability for employee benefits includes provision for annual leave. No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees of the Corporation is estimated to be less than the annual entitlement for sick leave.

Leave liabilities are calculated on the basis of employees' remuneration, including the Corporation's employer superannuation contribution rates to the extent that leave is likely to be taken during service rather than paid out on termination.

Termination benefits

Termination benefits are recognised as an expense when the Corporation is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Corporation has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If benefits are payable more than 12 months after the reporting period, then they are discounted to their present value.

1.8 Provisions

A provision is recognised in the statement of financial position when the Corporation has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. The unwinding of the discount is recognised as finance costs.

CARPENTARIA LAND COUNCIL ABORIGINAL CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2016

Note 1: Summary of Significant Accounting Policies (continued)

1.9 Revenue

Revenue is recognised when persuasive evidence exists that the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable and the amount of revenue can be measured reliably.

Rendering of services

Revenue from rendering of services is recognised in income in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to surveys of work performed.

Grants received

Government grants and other contributions of assets are accounted for in accordance with AASB 1004 *Contributions* based on whether they are reciprocal or non-reciprocal in nature and are measured at the fair value of the contributions received or receivable.

Reciprocal transfers are those where approximately equal value is exchanged in the transfer between the transferor (grantor) and the transferee (grantee). Non-reciprocal transfers are those where equal value is not exchanged.

Reciprocal grants received

Grants where the Corporation is obliged to repay unutilised funds or has a return obligation that implies the existence of a reciprocal transfer are initially brought to account as revenue in the years in which they are received. A liability is recognised to the extent it is probable that the funds are likely to be returned and considering the percentage of completion achieved.

Non-reciprocal grants received

Grants where the Corporation is not obliged to repay unutilised funds or does not have a return obligation that implies the existence of a reciprocal transfer are brought to account as revenue in the years in which they are received.

The Corporation considers that it does not obtain control of grant funds received (or receivable) until the funds have been applied for the approved purpose set out in the relevant funding agreement. Grant funds unexpended, repayable or in advance are accounted for as liabilities.

Contributions

Contributions of assets, including the right to receive cash or other forms of assets without directly giving approximately equal value to the other party or parties to the transfer, are recognised as revenue at fair value when the Corporation obtains control of the contribution or the right to receive the contribution, it is probable that the economic benefits comprising the contribution will flow to the Corporation and the amount of the contribution can be measured reliably.

1.10 Lease payments

Payments made under operating leases are recognised in expenses on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance costs and the reduction of the outstanding liability. The finance costs are allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Determining whether an arrangement contains a lease

At inception of an arrangement, the Corporation determines whether such an arrangement is or contains a lease. A specific asset is the subject of a lease if fulfilment of the arrangement is dependent on the use of a specific asset. An arrangement conveys the right to use the asset if the arrangement conveys to the Corporation the right to control the use of the underlying asset. At inception or upon reassessment of the arrangement, the Corporation separates payments and the consideration required by such an arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Corporation concludes for a finance lease that it is impracticable to separate the payments reliably, an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Subsequently the liability is reduced as payments are made and an imputed finance charge on the liability is recognised using the Corporation's incremental borrowing rate.

1.11 Finance income and finance costs

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues in finance income, using the effective interest method.

Finance costs comprise interest expense on borrowings and impairment losses recognised on financial assets. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in expenses using the effective interest method.

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CARPENTARIA LAND COUNCIL ABORIGINAL CORPORATION NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 1: Summary of Significant Accounting Policies (continued)

1.12 Taxation

Income tax

The Corporation has been granted exemption from income tax under Division 50 of the Income Tax Assessment Act 1997.

1.13 Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax ("GST"), except where the amount of GST incurred is not recoverable from the Australian Taxation Office ("ATO"). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

1.14 New and amended standards adopted

The Corporation has adopted all the amendments to Australian Accounting Standards issued by the AASB which are relevant to, and effective for, the Corporation's financial statements for the annual period beginning 1 July 2015. None of the amendments have had a significant impact on the Corporation.

1.15 Standards issued but not yet effective

A number of new standards and amendments to standards are effective for annual periods beginning after 1 July 2015, and have not been applied in preparing these financial statements. The following new standards may have an impact on the Corporation's financial statements, although any such impact has not yet been assessed:

- AASB 9 Financial Instruments becomes mandatory for annual periods beginning on or after 1 January 2018 (with early adoption permitted) and includes revised guidance on the classification and measurement of financial instruments, a new revised credit loss model for calculating impairment on financial assets and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from AASB 139.

- AASB 16 Leases becomes mandatory for annual periods beginning on or after 1 January 2019 (with early adoption permitted) and in essence requires a lessee to:

- recognise all lease assets and liabilities (including those currently classed as operating leases) on the statement of financial position, initially measured at the present value of unavoidable lease payments;
- recognise amortisation of lease assets and interest on lease liabilities as expenses over the lease term; and
- separate the total amount of cash paid into a principal portion (presented within financing activities) and interest (which entities can choose to present within operating or financing activities consistent with presentation of any other interest paid) in the statement of cash flows.

The Corporation does not plan to adopt these standards early.

CARPENTARIA LAND COUNCIL ABORIGINAL CORPORATION
NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2015

Note 2: Revenue and Income

| | 2016 | 2015 |
|--|-------------------------|-------------------------|
| | \$ | \$ |
| Note 2A: Revenue from Government | | |
| Grants received - PM&C | 4,513,929 | 3,555,420 |
| Grants received - EHP | 1,389,895 | 1,431,312 |
| Grants received - DOTE | 651,229 | 635,346 |
| Grants received - ILC | 55,500 | 32,700 |
| Grants received - SGC | 100,000 | 100,000 |
| Grants received - NPSR | 160,351 | 139,588 |
| Grants received - TIRF | - | 48,276 |
| Grants received - ADBT | - | 4,761 |
| | <u>6,870,904</u> | <u>5,947,403</u> |
| Unexpended grant balances at the beginning of the year | 1,323,114 | 888,210 |
| Grants repaid - TIRF | (2,160) | (59,007) |
| Unexpended grant balances at the end of the year | <u>(1,623,511)</u> | <u>(1,323,114)</u> |
| Total revenue from Government | <u><u>6,568,347</u></u> | <u><u>5,453,492</u></u> |
| Note 2B: Finance income | | |
| Interest income on bank deposits | <u>59,870</u> | <u>56,316</u> |
| Total interest | <u><u>59,870</u></u> | <u><u>56,316</u></u> |
| Note 2C: Other revenue | | |
| Reimbursement of wages | 191,882 | 285,355 |
| Administration levy | 44,690 | 42,292 |
| Grant related income | 75,000 | 66,255 |
| Grant related income repaid | - | (95,454) |
| Sundry income | <u>16,572</u> | <u>53,880</u> |
| Total other revenue | <u><u>328,144</u></u> | <u><u>352,328</u></u> |
| Note 2D: Gain on disposal of assets | | |
| Gain on disposal of assets | - | <u>18,693</u> |
| Total gain on sale of assets | <u><u>-</u></u> | <u><u>18,693</u></u> |

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CARPENTARIA LAND COUNCIL ABORIGINAL CORPORATION NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 3: Expenses

| | 2016 | 2015 |
|---|------------------|------------------|
| | \$ | \$ |
| Note 3A: Employee expenses | | |
| Wages and salaries | 2,107,984 | 2,040,073 |
| Superannuation | 197,679 | 183,117 |
| Leave and other entitlements | 79,467 | (23,595) |
| Recruitment | 6,665 | 7,590 |
| Total employee expenses | <u>2,391,795</u> | <u>2,207,185</u> |
| The Corporation makes contributions to defined contribution funds. The amount recognised as an expense was \$197,679 (2015: \$183,117) for the financial year ended 30 June 2016. | | |
| Note 3B: Suppliers | | |
| Motor vehicle expenses | 326,133 | 258,485 |
| Native Title implementation expenses | 2,009,755 | 1,740,691 |
| Repairs and maintenance expenses | 105,872 | 70,625 |
| Service expenses | 418,940 | 371,863 |
| Supplies | 963,776 | 696,733 |
| Travel expenses | 555,047 | 310,246 |
| Workers compensation premiums | 13,207 | 19,530 |
| Total supplier expenses | <u>4,392,730</u> | <u>3,468,173</u> |
| Note 3C: Depreciation and amortisation | | |
| Depreciation: | | |
| Buildings | 70,846 | 67,816 |
| Plant and equipment | 55,248 | 69,264 |
| Motor vehicles | 49,459 | 83,156 |
| Furniture, fittings and equipment | 12,920 | 22,831 |
| Total depreciation | <u>188,473</u> | <u>243,067</u> |
| Amortisation: | | |
| Leasehold land | 3,366 | 3,366 |
| Total amortisation | <u>3,366</u> | <u>3,366</u> |
| Total depreciation and amortisation | <u>191,839</u> | <u>246,433</u> |
| Note 3D: Debts written off | | |
| Bad debts | 5,090 | - |
| Total bad debts expenses | <u>5,090</u> | <u>-</u> |
| Note 3E: Finance costs | | |
| Interest on borrowings | | |
| Interest on finance leases | 3,446 | 871 |
| Total finance expenses | <u>3,446</u> | <u>871</u> |

CARPENTARIA LAND COUNCIL ABORIGINAL CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2016

Note 4: Financial Assets

| | 2016 | 2015 |
|---|------------------|------------------|
| | \$ | \$ |
| Note 4A: Cash and cash equivalents | | |
| Cash on hand or on deposit | 3,260,463 | 2,628,628 |
| Total cash and cash equivalents | <u>3,260,463</u> | <u>2,628,628</u> |

The Corporation's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed at Note 14.

| | | |
|--|---------------|---------------|
| Note 4B: Trade and other receivables | | |
| Goods and services | 43,606 | 85,654 |
| Total trade and other receivables (gross) | <u>43,606</u> | <u>85,654</u> |
| Less: Allowance for impairment losses | | |
| Goods and services | - | - |
| Total trade and other receivables (net) | <u>43,606</u> | <u>85,654</u> |

The Corporation's exposure to credit and currency risk and impairment losses related to trade and other receivables are disclosed in Note 14.

| | | |
|--|---------------|---------------|
| Note 4C: Other financial assets | | |
| GST receivable from the ATO | 20,424 | 6,795 |
| Other | 22,066 | 22,239 |
| Total other financial assets | <u>42,490</u> | <u>29,034</u> |

CARPENTARIA LAND COUNCIL ABORIGINAL CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2016

Note 5: Non-Financial Assets

Note 5A: Property, plant and equipment

Reconciliation of the opening and closing balances of property, plant and equipment (2015-16)

| Class | Land and buildings | | Plant and equipment | | Motor vehicles | | Furniture, fittings and equipment | | Leasehold land | | Total |
|--|--------------------|---------------|---------------------|---------------|----------------|------------------|-----------------------------------|----|----------------|----|-------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | |
| As at 1 July 2015 | | | | | | | | | | | |
| Gross book value | 1,623,671 | 544,198 | 408,192 | 203,286 | 483,913 | 3,263,259 | | | | | |
| Accumulated depreciation and impairment | (214,428) | (459,871) | (299,052) | (178,741) | (332,425) | (1,484,517) | | | | | |
| Net book value 1 July 2015 | 1,409,243 | 84,326 | 109,140 | 24,545 | 151,488 | 1,778,742 | | | | | |
| Additions: | | | | | | | | | | | |
| by purchase | 4,886 | 51,345 | - | 29,966 | - | 86,197 | | | | | |
| Depreciation/amortisation expense | (70,846) | (55,248) | (49,459) | (12,920) | (3,366) | (191,839) | | | | | |
| Net book value 30 June 2016 | 1,343,283 | 80,424 | 59,680 | 41,591 | 148,122 | 1,673,100 | | | | | |
| Net book value as at 30 June 2016 represented by: | | | | | | | | | | | |
| Gross book value | 1,628,557 | 595,543 | 408,191 | 201,122 | 483,913 | 3,317,326 | | | | | |
| Accumulated depreciation and impairment | (285,274) | (515,119) | (348,511) | (159,531) | (335,791) | (1,644,226) | | | | | |
| | 1,343,283 | 80,424 | 59,680 | 41,591 | 148,122 | 1,673,100 | | | | | |

Tenure over land

One of the Corporation's buildings located at Old Doomadgee with a carrying amount of \$549,495 at 30 June 2016 (2015: \$580,023) is situated on land not owned by the Corporation and in respect of which the Corporation has no formal tenure. The land is held by the Gurridi Traditional Land Trust established under the Aboriginal Land Act 1991. The value to the Corporation of this building is dependent on the Corporation's continuing tenure of this building. The Aboriginal and Torres Strait Islander Commission holds caveats over two of the Corporation's properties, Lot 86 and Lot 87 in the parish of Burke.

Leasehold land

The leases have an 80 year term expiring on 30 June 2060. The directors determined that the Corporation assumes substantially all the risks and rewards of ownership of these leases. No indicators of impairment were identified at 30 June 2016 for leasehold land. In future, the leases of these pastoral properties may be transferred to an entity owned by the traditional owners of the land covering the area of the leasehold properties. At reporting date this transfer had not been finalised.

CARPENTARIA LAND COUNCIL ABORIGINAL CORPORATION
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 30 June 2016

Note 5: Non-Financial Assets (continued)

Note 5A: Property, plant and equipment (continued)

Reconciliation of the opening and closing balances of property, plant and equipment (2014-15)

| Class | Land and buildings | Plant and equipment | Motor vehicles | Furniture, fittings and equipment | Leasehold land | Total |
|--|--------------------|---------------------|----------------|-----------------------------------|----------------|------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ |
| As at 1 July 2014 | | | | | | |
| Gross book value | 1,566,324 | 505,122 | 452,067 | 184,006 | 483,913 | 3,191,433 |
| Accumulated depreciation and impairment | (146,612) | (390,608) | (298,668) | (155,910) | (329,058) | (1,320,855) |
| Net book value 1 July 2014 | 1,419,713 | 114,514 | 153,399 | 28,097 | 154,855 | 1,870,578 |
| Additions: by purchase | 57,346 | 39,076 | 73,740 | 19,279 | - | 189,441 |
| Depreciation/amortisation expense | (67,816) | (69,264) | (83,156) | (22,831) | (3,366) | (246,433) |
| Disposals: Disposal of assets in the ordinary course of business: | - | - | (34,844) | - | - | (34,844) |
| Net book value 30 June 2015 | 1,409,243 | 84,326 | 109,140 | 24,545 | 151,489 | 1,778,742 |
| Net book value as at 30 June 2015 represented by: | | | | | | |
| Gross book value | 1,623,671 | 544,198 | 408,192 | 203,286 | 483,913 | 3,263,259 |
| Accumulated depreciation and impairment | (214,428) | (459,871) | (299,052) | (178,741) | (332,425) | (1,484,517) |
| | <u>1,409,243</u> | <u>84,326</u> | <u>109,140</u> | <u>24,545</u> | <u>151,488</u> | <u>1,778,742</u> |

ANNUAL FINANCIAL REPORT

CARPENTARIA LAND COUNCIL ABORIGINAL CORPORATION NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 6: Fair value measurements

Recognised fair value measurements

The Corporation measures and recognises the following assets at fair value on a recurring basis:

Property, plant and equipment

- Land and buildings
- Plant and equipment
- Motor vehicles
- Furniture, fittings and equipment

The Corporation does not measure any liabilities at fair value on a recurring basis.

The Corporation has assets which are not measured at fair value, but for which fair values are disclosed in other notes.

The carrying amounts of trade receivables and trade payables are assumed to approximate their fair values due to their short-term nature (level 2).

In accordance with AASB 13 fair value measurements are categorised on the following basis:

- Fair value based on quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)
- Fair value based on inputs that are directly or indirectly observable for the asset or liability (level 2)
- Fair value based on unobservable inputs for the asset and liability (level 3)

The following table categorises fair value measurements as levels 2 and 3 in accordance with AASB 13. The Corporation does not have any assets or liabilities measured at fair value which meet the criteria for categorisation as level 1.

The fair values of the assets are determined using valuation techniques which maximise the use of observable data, where it is available, and minimise the use of entity specific estimates. If all significant inputs required to fair value an asset are observable, the asset is included in level 2. If one or more of the significant inputs is not based on observable market data, the asset is included in level 3. This is the case for Corporation buildings, which are of a specialist nature for which there is no active market for similar or identical assets. These assets are valued using a combination of observable and unobservable inputs.

The table presents the Corporation's assets measured and recognised at fair value at 30 June 2016.

| At 30 June 2016 | Level 2 2016 \$ | Level 3 2016 \$ |
|-----------------------------------|-----------------------|-----------------------|
| Recurring fair value | | |
| Land | 210,000 | - |
| Buildings | - | 1,133,283 |
| Plant and equipment | 80,424 | - |
| Motor vehicles | 59,680 | - |
| Furniture, fittings and equipment | 41,591 | - |
| | <u>391,695</u> | <u>1,133,283</u> |
| | | |
| At 30 June 2015 | Level 2 2015 \$ | Level 3 2015 \$ |
| Recurring fair value | | |
| Land | 210,000 | - |
| Buildings | - | 1,199,243 |
| Plant and equipment | 84,326 | - |
| Motor vehicles | 109,139 | - |
| Furniture, fittings and equipment | 24,545 | - |
| | <u>428,010</u> | <u>1,199,243</u> |

There were no transfers between levels during the current or prior year.

The Corporation's policy is to recognise transfers in and out of the fair value hierarchy levels as at the end of the reporting period.

CARPENTARIA LAND COUNCIL ABORIGINAL CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2016

Note 6: Fair value measurements (continued)

Valuation techniques used to derive fair values for level 2 and 3 valuations

Specific valuation techniques used

Valuation processes

The Corporation's valuation policies and procedures are set by the Board along with the CEO and Finance Manager. They are reviewed annually taking into consideration an analysis of movements in fair value and other relevant information. The Corporation's current policy for the valuation of property, plant and equipment (recurring fair value measurements) is set out in note 1.4.

(a) Land (level 2)

The Directors performed an internal valuation using directly observable inputs to determine the fair value of these assets at 30 June 2016. The valuation indicated that the carrying value of these assets at 30 June 2016 approximated their fair value. The Directors determined that the land fair values at 30 June 2016 had not varied materially from the values determined in June 2014, by independent valuer, Neil Teves AAPI, a qualified valuer.

The land is held under freehold title and the valuation accounts for the inherent physical qualities of any land component, and that any land is developed to its highest and best potential use.

Land assets comprise separate individual saleable titles which do not have restrictions which would inhibit their sale in the open property market other than those disclosed in note 5. To comply with AASB 13 such assets have been considered firstly by way of their market value for the whole of the property as the primary valuation concept and secondly by way of the market value for the saleable land component.

To comply with AASB 13 the fair values for the three elements of the Corporation's land have been determined by the valuer by using level 2 valuation inputs : the Market Approach by direct comparison based on observable historical sales data for properties of similar nature and specification (particularly those in a similar rural location).

Land values

Land sale data has been provided and analysed to support values applied to the land assets in the 2015 and also in the 2016 evaluations for the Corporation's land. To ascertain any adjustments required to the level of land value use for the 30 June 2016 assessment relative to 30 June 2015, property sales trend charts have been prepared based on researched data and also by consideration of the more recent actual land sales transactions.

(b) Buildings (level 3)

The Directors performed an internal valuation to determine the fair value of these assets at 30 June 2016. The valuation indicated that the carrying value of these assets to 30 June 2016 approximated their fair value. The Directors determined that the building fair values at 30 June 2016 had not varied materially from the values determined in June 2014, by independent valuer, Neil Teves AAPI, a qualified valuer.

The valuation techniques used in the 2014 independent valuation were as follows:

Current replacement cost

Reference asset replacement costs for buildings were compiled for asset valuations by reference to actual costs incurred for some of the subject assets, for similar asset improvements constructed within the North Queensland Region, and also supported by reference to available data prepared and provided by construction cost consultants and quantity surveyors. Costs are indexed to account for the location of the subject properties being away from the major supply centres or due to being in a different location to some of the other assets recently constructed. Differences associated with time factors (date of construction of other similar improvements and date of compilation of cost data in comparison to valuation data) have also been accounted for. Generally the cost data has been indexed to allow for a cost difference with the Brisbane Locality Cost Data Index being 100, Cairns Locality Cost Data Index being 110 relative to Brisbane, and Gulf Locality Cost Data Index being 150 relative to Brisbane.

Increases in costs associated with time factors, date of construction of other similar improvements and date of compilation of cost data relative to the valuation date, have also been accounted for. Whilst the construction cost for the Cairns urban area has remained stable over the past few years a different scenario is applicable for rural areas away from this coastal provincial city. There are fewer contractors willing to, or capable of managing construction in some of the more remote areas. It is necessary to arrange for transport of materials and machinery and personnel to these areas as well as arranging accommodation and provisions for workers. All of these matters have contributed to cost increases over time for remote areas and the locality and time indexation figures account for such factors.

CARPENTARIA LAND COUNCIL ABORIGINAL CORPORATION NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 6: Fair value measurements (continued)

(b) Buildings (level 3) (continued)

Current replacement cost (continued)

Base cost data used to formulate unit valuation rates for assets has been compiled from data derived from a number of sources.

Firstly, contract costings for assets established in other Far North Queensland regions have been referred to, particularly those in remote locations or locations removed from provincial city supply centres. The costs for some of these assets established some time in the past require indexing to bring them in line with present day levels of pricing.

Data available from Rawlinson's Quantity Surveyors has also been considered. Such data is generally state capital city based and indexing is required to account for regional location factors.

Thirdly, assets recently established by the Carpentaria Land Council, or by other similar entities which have established new assets in the area or other areas, have been investigated and the costs of such assets have been analysed. Where such cost data is available but relates to assets established in recent-but past years, the cost data has been indexed to bring it in line with present day equivalent costing. This is considered an appropriate basis as the original cost data may relate to the actual or very similar items as those being valued. Consideration has been given to individual fit-out and finish for the assets when making comparisons with the cost data and decreases or increases have been made when considered appropriate.

If required, consideration has also been given to any refurbishment or upgrades to any of the assets subsequent to the previous valuations.

When comparing the subject and base costing assets, consideration has been given to location; land size and shape; zoning; aspect; land topography; services; and design; construction; and general condition of improvement components.

Accumulated depreciation

The depreciation rates applied for the valuation process are generally based on a gradual deterioration in the assets over time, but also account for abnormal adverse depreciation with accelerated depreciation in rates being applied if considered appropriate. Where there have been refurbishment works completed, the depreciation rate has been adjusted to account for the improved condition of the asset.

When considering the estimated remaining life of each of the assets, consideration has been given to the construction; present age; condition; serviceability; climate conditions, and present and potential utilisation. Investigations have been made into the lifespan of the assets to better understand the factors influencing sustainable physical, functional, and economic asset life-expectancy. This has been combined with general information collated by the valuer over a long period of working within the regional areas of North Queensland.

Life expectancy

The valuation as assessed is based on the asset life expectancy. The remaining life of the asset has been determined by reference to its general physical condition, design, and economic and functional utility. Obsolescence as well as physical depreciation has been considered.

Sensitivity of valuation to unobservable inputs

While the unit rates based on square metres can be supported by market evidence (level 2), the estimates of residual value, useful life, pattern of consumption and asset condition that are used to calculate accumulated depreciation comprise unobservable inputs (level 3). Where these other inputs are significant to the valuation the overall valuation has been classified as level 3. The two significant unobservable inputs are the asset's condition rating and residual value. These inputs range from 0% - 100% between the different assets. The relationship these inputs have to the fair value of the assets is the following: the higher the condition rating/residual value, the higher the fair value of the asset.

(c) Plant and equipment, motor vehicles, and furniture, fittings and equipment

The Directors performed an internal valuation using directly observable inputs to determine the fair value of these assets at 30 June 2016. The valuation indicated that the carrying value of these assets to 30 June 2016 approximated their fair value.

CARPENTARIA LAND COUNCIL ABORIGINAL CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2016

Note 7: Financial Liabilities

| | 2016 | 2015 |
|--------------------------------|----------------|----------------|
| | \$ | \$ |
| Note 7A: Suppliers | | |
| Trade creditors | 623,916 | 397,330 |
| Total supplier payables | <u>623,916</u> | <u>397,330</u> |

Settlement is usually made in 60 days.

| | | |
|------------------------|------------------|------------------|
| Note 7B: Grants | | |
| Unexpended balances | 1,623,511 | 1,323,114 |
| Total grants | <u>1,623,511</u> | <u>1,323,114</u> |

| | | |
|--------------------------------|----------------|----------------|
| Note 7C: Other payables | | |
| Monies held in trust | 45,000 | 45,000 |
| Salaries and wages | 43,304 | 27,671 |
| Superannuation | 15,992 | 14,402 |
| Annual leave | 144,188 | 121,434 |
| PAYG payable | 30,928 | 27,414 |
| Revenue received in advance | - | 50,000 |
| Other | 28,454 | 47,758 |
| Total other payables | <u>307,866</u> | <u>333,679</u> |

The Corporation's exposure to currency and liquidity risk related to trade and other payables is disclosed in Note 14.

ANNUAL FINANCIAL REPORT

CARPENTARIA LAND COUNCIL ABORIGINAL CORPORATION NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 8: Employee Entitlements

| | 2016 | 2015 |
|---|----------------|----------------|
| | \$ | \$ |
| Note 8A: Employee entitlements | | |
| Long service leave | 246,686 | 221,716 |
| Total employee entitlements | <u>246,686</u> | <u>221,716</u> |
| Employee entitlements are represented by: | | |
| Current | 246,686 | 202,435 |
| Non-current | - | 19,281 |
| Total employee entitlements | <u>246,686</u> | <u>221,716</u> |
| Long service leave provision movements | | |
| Balance at beginning of financial year | 221,716 | 238,441 |
| Long service leave entitlement arising | 31,318 | 16,322 |
| Long service leave entitlement extinguished | - | (12,149) |
| Long service leave entitlement paid | (6,348) | (20,898) |
| Balance at end of financial year | <u>246,686</u> | <u>221,716</u> |

The provision for long service leave represents the Corporation's best estimate of the future benefit that employees have earned. The amount and timing of the associated outflows is uncertain and dependent on employees attaining the required years of service. Where the Corporation no longer has the ability to defer settlement of the obligation beyond 12 months from the reporting date, liabilities are presented as current. This would usually occur when employees are expected to reach the required years of service in the 12 months from the reporting date.

Note 9: Cash Flow Reconciliation

| | | |
|--|----------------|----------------|
| Reconciliation of operating result to net cash from operating activities: | | |
| Net loss for the year | (28,539) | (41,833) |
| Adjustment for: | | |
| Depreciation /amortisation | 191,839 | 246,433 |
| Bad debts | 5,091 | - |
| (Gain)/loss on disposal of property, plant and equipment | - | (18,692) |
| (Increase) / decrease in trade and other receivables | 23,329 | 94,057 |
| (Increase) / decrease in prepayments and other financial assets | 172 | 46,699 |
| Increase / (decrease) in suppliers and other payables | 200,773 | 12,806 |
| Increase / (decrease) in unexpended grants | 300,397 | 434,904 |
| Increase / (decrease) in employee entitlements | 24,970 | (16,725) |
| Net cash from operating activities | <u>718,032</u> | <u>757,649</u> |

CARPENTARIA LAND COUNCIL ABORIGINAL CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2016

Note 10: Contingent Liabilities and Assets

The Corporation did not have any contingent liabilities or assets at 30 June 2016 (2015: nil)

Note 11: Commitments

| | 2016 | 2015 |
|--|------|------|
| | \$ | \$ |

Operating lease commitments

Non-cancellable operating lease commitments are payable as follows:

| | | |
|--|----------------|----------------|
| One year or less | 242,743 | 202,300 |
| From one to five years | 139,573 | 191,740 |
| Total operating lease commitments | <u>382,316</u> | <u>394,040</u> |

The Corporation leases office space under operating leases. Lease payments are increased every year to reflect market rentals. None of the leases include contingent rentals.

Note 12: Remuneration of Auditors

| | 2016 | 2015 |
|---|---------------|---------------|
| | \$ | \$ |
| Audit services | | |
| Statutory audit services - Grant Thornton | 26,244 | 25,150 |
| Audit of specific grant acquittals - Grant Thornton | 3,740 | - |
| Other audit services - Crowe Horwath | 2,500 | - |
| | <u>32,484</u> | <u>25,150</u> |

ANNUAL FINANCIAL REPORT

CARPENTARIA LAND COUNCIL ABORIGINAL CORPORATION NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2016

Note 13: Related Party Disclosures

Transactions with key management personnel

In addition to their salaries, the Corporation also provides non-cash benefits to key management personnel, and contributes to a post-employment defined contribution superannuation fund on their behalf.

Key management personnel compensation

The key management personnel compensation included in employee expenses in the statement of profit or loss and other comprehensive income is as follows:

| | 2016 | 2015 |
|------------------------------|----------------|----------------|
| | \$ | \$ |
| Short term employee benefits | 178,762 | 192,477 |
| Post-employment benefits | 11,612 | 11,469 |
| | <u>190,374</u> | <u>203,945</u> |

Key management personnel compensation includes wages and salaries, annual leave, accrued superannuation, and other allowances and amounts paid by the Corporation during the year.

Loans to key management personnel

No loans have been made to key management personnel during the year (2015: \$Nil).

Other key management personnel transactions

The aggregate amounts recognised during the year relating to key management personnel and their other related entities

- Various directors of the Corporation received a total of \$50,898 (2015: \$63,174) from the Corporation during the financial year in respect of sitting fees, travel allowance, consultancy fees and reimbursement of wages.

- Various directors of the Corporation were employed by the Corporation during the financial year and received total remuneration of \$383,530 (2015: \$208,995).

- Relatives of various directors were employed by the Corporation during the financial year and received total remuneration of \$249,177 (2015: \$286,274).

- A number of the Corporation's key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over these entities. A number of these entities transacted with the Corporation during the year. The terms and conditions of the transactions with key management personnel and their related entities were no more favourable than those available, or might be reasonably expected to be available, on similar transactions to non-key management personnel related entities on an arm's length basis.

CARPENTARIA LAND COUNCIL ABORIGINAL CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2016

Note 14: Financial Instruments

Note 14A: Financial risk management

The Corporation has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Corporation's exposure to each of the above risks, its objectives, policies and processes for measuring and managing risk.

Risk management framework

The board of directors has overall responsibility for the establishment and oversight of the risk management framework and it is responsible for developing and monitoring risk management policies.

Risk management policies are established to identify and analyse the risks faced by the Corporation, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Corporation's activities. The Corporation, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

Credit risk

Credit risk is the risk of financial loss to the Corporation if a counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Corporation's receivables.

Approximately 95% (2014 - 94%) of the Corporation's revenue is attributable to Government funding and accordingly, this is considered low risk.

Liquidity risk

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they fall due.

The Corporation is reliant on regular funding releases from Government agencies. The Corporation ensures these releases are forthcoming by meeting the terms and conditions set down in funding agreements.

An agreement is in place with the Commonwealth Bank of Australia whereby pre-approved finance is available for asset purchases up to \$500,000.

Market risk

Market risk is the risk that changes in market prices, such as interest rates will affect the Corporation's income.

Interest makes up approximately 1% (2015 - 1%) of the Corporation's income. The Corporation's policy is to ensure monies are held with a major bank at the best available interest rate.

Note 14B: Credit risk

Exposure to credit risk

The carrying amount of the Corporation's financial assets represents the maximum credit exposure. The Corporation's maximum exposure to credit risk at the reporting date was:

| | 2016 | 2015 |
|-------------------------------------|------------------|------------------|
| | \$ | \$ |
| Cash and cash equivalents | 3,260,463 | 2,628,628 |
| Trade and other receivables (gross) | 43,606 | 85,654 |
| Other | 42,490 | 29,034 |
| | <u>3,346,559</u> | <u>2,743,316</u> |

ANNUAL FINANCIAL REPORT

CARPENTARIA LAND COUNCIL ABORIGINAL CORPORATION NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 14: Financial Instruments (Continued)

Note 14B: Credit risk (continued) Exposure to credit risk (continued)

The Corporation has no exposure to credit risk outside Australia.

The Corporation's maximum exposure to credit risk for trade receivables at reporting date by customer was:

| | 2016 | 2015 |
|-----------------------------|---------------|---------------|
| | \$ | \$ |
| Government related entities | 2,208 | 55,843 |
| Other | 41,398 | 29,811 |
| | <u>43,606</u> | <u>85,654</u> |

Impairment losses

The aging of the Corporation's trade receivables at the reporting date was:

| | Gross 2016 | Impairment 2016 | Gross 2015 | Impairment 2015 |
|-------------------|---------------|--------------------|---------------|--------------------|
| | \$ | \$ | \$ | \$ |
| Not overdue | 35,356 | - | 43,659 | - |
| Overdue by: | | | | |
| Less than 30 days | 8,250 | - | 34,505 | - |
| 31 to 60 days | - | - | - | - |
| 61 to 90 days | - | - | - | - |
| More than 90 days | - | - | 7,490 | - |
| | <u>43,606</u> | <u>-</u> | <u>85,654</u> | <u>-</u> |

Note 14C: Liquidity risk

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting arrangements:

| 2016 | Carrying Amount | Contractual Cash Flow | 6 months or less | 6-12 months | 1-2 years | 2-5 years |
|---------------------------|--------------------|--------------------------|---------------------|-------------|-----------|-----------|
| | \$ | \$ | \$ | \$ | \$ | \$ |
| Trade and other payables | 931,782 | 931,782 | 931,782 | - | - | - |
| | <u>931,782</u> | <u>931,782</u> | <u>931,782</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| 2015 | | | | | | |
| | Carrying Amount | Contractual Cash Flow | 6 months or less | 6-12 months | 1-2 years | 2-5 years |
| | \$ | \$ | \$ | \$ | \$ | \$ |
| Finance lease liabilities | | | | | | |
| Trade and other payables | 731,008 | 731,008 | 731,008 | - | - | - |
| | <u>731,008</u> | <u>731,008</u> | <u>731,008</u> | <u>-</u> | <u>-</u> | <u>-</u> |

Note 14D: Currency risk

The Corporation is not exposed to foreign currency risk.

CARPENTARIA LAND COUNCIL ABORIGINAL CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2016

Note 14: Financial Instruments (Continued)

Note 14E: Interest rate risk

Profile

At the reporting date the interest rate profile of the Corporation's interest-bearing financial instruments was:

| | 2016 | 2015 |
|----------------------------------|-----------|-----------|
| | \$ | \$ |
| Variable rate instruments | | |
| Cash and cash equivalents | 3,260,463 | 2,628,628 |

Fair value sensitivity analysis for fixed rate instruments

As the Corporation does not fair value any financial instruments at fixed rates through the statement of profit or loss and other comprehensive income, a change of 100 basis points in interest rates would not increase or decrease the Corporation's results or equity.

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates would increase or decrease the Corporation's results and equity by:

| 2016 | 2015 |
|---------------|---------------|
| \$ | \$ |
| 32,605 | 26,286 |

Note 14F: Fair values

The fair values of financial assets and liabilities approximate the carrying amounts shown in the statement of financial position.

Note 15: Economic Dependency

The financial statements have been prepared on a going concern basis which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

The ability of the Corporation to continue its operations at current levels is dependent upon future ongoing funding being provided by Commonwealth and State funding bodies. The Corporation believes that the necessary funding will continue to be forthcoming for the year ending 30 June 2017.



Independent auditor's report

Independent auditor's report to the members of Carpentaria Land Council Aboriginal Corporation

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We have audited the accompanying financial report of Carpentaria Land Council Aboriginal Corporation (the "Corporation"), which comprises the statement of financial position as at 30 June 2016, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Directors' responsibility for the financial report

The directors of the Corporation are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by

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the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations (Aboriginal and Torres Strait Islander) Act 2006*.

Auditor's opinion

In our opinion, the financial report of Carpentaria Land Council Aboriginal Corporation is in accordance with the *Corporations (Aboriginal and Torres Strait Islander) Act 2006*, including:

- a giving a true and fair view of the Corporation's financial position as at 30 June 2016 and of its performance for the year ended on that date; and
- b complying with Australian Accounting Standards and the *Corporations (Aboriginal and Torres Strait Islander) Regulations 2007* and any applicable determinations made by the Registrar of Aboriginal Corporations under Division 336 of the Act.

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

Graham Coonan
Partner – Audit & Assurance

Cairns, 26 September 2016



Auditor's independence declaration

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Auditor's independence declaration to the directors of Carpentaria Land Council Aboriginal Corporation

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In accordance with the requirements of section 339-50 of the *Corporations (Aboriginal and Torres Strait Islander) Act 2006*, as lead auditor for the audit of Carpentaria Land Council Aboriginal Corporation for the year ended 30 June 2016, I declare that, to the best of my knowledge and belief, there have been:

- No contraventions of the auditor independence requirements as set out in the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* in relation to the audit; and
- No contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in cursive script that reads "Grant Thornton".

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

A handwritten signature in cursive script that reads "Graham Coonan".

Graham Coonan
Partner – Audit & Assurance

Cairns, 26 September 2016

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